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MILWAUKEE, WISC.

Milwaukee is the largest and most important city of the State of Wisconsin. It is located on the river of the same name, or, more properly, partly on the river and partly on the bluffs overlooking Lake Michigan, lat, 43° 02′ 34″ north, and long. 87° 54′ 22″ west, about 85 miles north from Chicago. The district of which it is the port of entry embraces the whole Wisconsin shore of the Lake, and includes the sub-ports of Kenosha and Racine southward, and Port Washington and Sheboygan northward.

This city was founded in 1835, and was incorporated in 1846. The progress of the city and State in population, in the twenty-five years (1845–65) is thus marked by successive enumerations:

Census.	Population City.	Population State.	City to State.	Census Years.	Rate of increase City.	Rate of increase State.
1840.....	1,712	30,945	5.5 per cent.			
1845.....	9,655	155,277	6.2 " "	1840-45.....	463.9	401.8
1850.....	20,061	305,891	6.5 " "	1845-50.....	107.8	97.0
1855.....	30,447	552,451	5.5 " "	1850-55.....	51.5	80.6
1860.....	45,246	775,881	5.8 " "	1855-60.....	48.6	40.4
1865.....	55,641	868,937	6.4 " "	1860-65.....	22.9	12.1

The city and its external relations are thus depicted by the editor of the Eighth Annual Report of the Milwaukee Chamber of Commerce:

"Milwaukee is very favorably located for commercial purposes, and its natural advantages were recognized at an early day as likely to place it

among the foremost of the inland cities of the continent. Its career during the last fifteen or twenty years shows that this expectation was by no means a "baseless" one, and justifies the belief that even those reckoned among the "oldest inhabitants" may live to see its full realization. Situated on the western shore of Lake Michigan, about eighty-five miles from the head of that magnificent inland sea, and possessing a harbour unequalled on the whole chain of lakes, it seems to have been designed by nature as the great receiving point for the surplus products of that vast domain composing Wisconsin, Northern Iowa and Minnesota, as well as the general distributing point for the eastern and foreign merchandise required to supply the rapidly increasing population of all that productive and flourishing section of country. The Milwaukee and Menomonee rivers flow through the city, affording a river front of almost unlimited extent, and uniting in the heart of the city, form a harbor capable of accommodating a fleet of two thousand vessels of the largest class. The entrance to the harbor is protected by two parallel piers extending out into deep water, and securing a permanent channel-way 260 feet wide and 12 feet deep in its shallowest part. The Milwaukee river is damned about three miles from its mouth, furnishing a good water-power, upon which the manufacture of flour is extensively carried on."

The railroads at present terminating in Milwaukee are:

1st. The *Milwaukee and St. Paul Railway*, running in a northwesterly direction through Columbus and Portage City to La Crosse, on the Upper Mississippi, a distance of two hundred miles from Milwaukee. This road, or a branch road connected with it, will, without doubt, be extended, within the next year, or two at most, to Winona, Minn., thus bringing the extensive railroad system ratiating from that thriving city into direct communication with Milwaukee. The Winona and St. Peter Railroad, which must necessarily form one of the most important feeders of the Milwaukee and St. Paul Railway, is already in operation, 91 miles due west of Winona. To Owatonna, where it connects with the Minnesota Central Railroad, establishing an unbroken line of railroad between Milwaukee and St. Paul. The old Milwaukee and Horicon Railroad, extending to Berlin on the Fox river, forty-two miles long, together with the Ripon and Wolf River Road, running from Ripon to the Wolf river, are now branches of the Milwaukee and St. Paul Railway, owned and operated by the same company. The Chicago and Northwestern Railroad, intersecting the Milwaukee and St. Paul Railway at Watertown Junction, and extending through Fond du Lac and Oshkosh to Green Bay, is also an important feeder to the same trunk line, but in consequence of the hostility of the management of the Northwestern Road to Milwaukee, much of the trade from the portions of the State through which it passes, that would naturally come to this city, is forcibly diverted to a more distant and inferior market.

2d. The *Milwaukee and Prairie du Chien Railway*, running through the most populous and productive portion of the State, from Milwaukee to Prairie du Chien, on the Mississippi river, 196 miles, with a branch extending 40 miles in a southwesterly direction from Milton, through Janesville to Monroe, in Green County, 110 miles from Milwaukee. As soon as the Company shall have completed the McGregor Western Road so as to secure direct connection with the Minnesota Central, they will no

doubt give their attention to the extension of their southern branch, from Monroe to Missippi at Dubuque, which will establish their connection with the extensive system of railroads running into Iowa from that point. The McGregor Western Railway, alluded to above, has been leased for a long term of years by the Milwaukee and Prairie du Chien Railway Company, who are vigorously pushing it through to completion, the intention being to extend it to the north line of the State of Iowa so as to connect with the Minnesota Central from St. Paul. This road is already in operation a distance of 66 miles from McGregor, and preparations are in progress to bridge the Mississippi between the latter place and Prairie du Chien during the present season.

3d. *The Milwaukee and Minnesota Railroad*, running in a northwesterly direction to Portage City, about midway between Milwaukee to La Crosse. This was formerly known as the Eastern Division of the old La Crosse and Milwaukee Railroad, and until quite recently was operated as part of the Milwaukee and St. Paul Railway. The Western Division of the old La Crosse and Milwaukee Road is owned by the Milwaukee and St. Paul Railway Company, who, by purchasing the Milwaukee and Western Railroad, and building 40 miles of new road between Columbus and Portage City, secured a through and direct line of their own to La Crosse, and leaving the Eastern Division for the present without an outlet to the Mississippi. The protracted litigation for the possession of this road was terminated a year ago in favor of the Milwaukee and Minnesota Railroad Company, who are now operating it between Milwaukee and Portage City. The Milwaukee and Minnesota Railroad connects with the Northwestern Railroad at Minnesota Junction, running to Fond du Lac, Oshkosh and Green Bay.

4th. The *Chicago and Milwaukee Railway*, running along the lake shore from Milwaukee to Chicago, 85 miles, and connecting with the numerous lines of railway at that point running east, south and west. Twenty miles from Milwaukee, this road intersects the Western Union Railroad, running through Southwestern Wisconsin and Northern Illinois to Savanna, on the Mississippi River, 165 miles from Milwaukee, thus forming the shortest line between Lake Michigan and the Mississippi. It is proposed to establish more direct means of communication with this part of the country by building, the coming summer, an air line of railroad from Milwaukee to Burlington, in Racine County, a distance of 60 miles.

It will be seen by the foregoing that the network of railroads centering at Milwaukee is being gradually but steadily extended and perfected, so that within a very few years the number of miles of railroad tributary to our city will be doubled and our commerce increased in the same or a larger proportion.

In addition to the Chicago and Milwaukee Railway, we have, by means of the Detroit and Milwaukee Railroad and Steamship Line across Lake Michigan, a direct Eastern communication with the Canadian railways and those of New England and New York. This route is available for the transportation of freight during at least ten months of the year, and during the summer season the trip across the lake, in splendid steamships built expressly for the line, forms a pleasant break in the monotony of a railroad journey between the East and West.

The grain trade of Milwaukee has grown up with amazing rapidity, and

is destined to make the port one of the most famous breadstuff entreports of the Union. The whole of Wisconsin and Minnesota is tributary to it, and as these become further developed, the business of the city must naturally be increased. In 1845 its whole export of flour was only 7,550 barrels; in 1866 it exported 720,365 barrels, being nearly a hundred to every one twenty-two years ago. Its wheat trade has grown more rapidly: in 1845 the whole export was 95,510 bushels—in 1866, 11,634,749 bushels; and in 1862 it amounted to 14,915,680 bushels. The trade in other grains has moved disproportionately and irregularly, but, on the whole, is considerable.

In order to show the localities from which Milwaukee draws its principal supplies of flour and grain, and what disposition is made of them, we give the following table showing the receipts and exports for the year 1866:

Received by—	Flour, bbls.	Wheat, bush.	Oats, bush.	Corn, bush.	Rye, bush.	Barley, bush.
Mil. & P. du Chien R.R.	112,469	5,161,549	1,032,361	411,543	178,626	32,325
Mil. & St Paul R.R.	185,380	4,769,857	33,098	21,553	21,953	19,752
Hor. Div. Mil. & St. P. R.R.	13,869	231,750	.....	.....	.....	.....
Mil. & Minn. R.R.	111,283	1,161,981	2,098	648	1,637	25,886
Chic. & N W. R.R.	7,288	991,251	739,578	331,246	180,104	42,726
Lake	27,805	177,662	10,095	24,090	710	32,007
Teams	30,000	283,557	Unknown.	Unknown.	Unkn'n.	Unkn'n.
Total receipts	488,094	12,777,557	1,817,230	789,080	383,030	125,696
In store Jan. 1, 1866	7,939	852,237	107,789	7,063	10,528	15,102
Flour made by city mills	328,730	.....	.....	.....	.....	.....
Total supply	824,763	13,629,794	1,925,019	796,142	393,558	167,798

Shipped to—	Flour, bbls.	Wheat, bush.	Oats, bush.	Corn, bush.	Rye, bush.	Barley, bush.
Buffalo	217,405	5,398,111	1,465,375	350,601	201,609	7,672
Oswego	.....	2,455,499	42,367	30,515	50,600	....
Ogdensburg	49,336	671,882	2,594	500	.....	.....
Cleveland	.....	1,075,014	.....	.....	.....	.....
Toledo	.....	175,969	.....	.....	.....	.....
Sandusky	.....	48,643	.....	.....	.....	.....
Chicago	.....	123,875	.....	.....	.....	.....
Cape Vincent	.....	91,800	.....	.....	.....	.....
Lake Superior	6,592	.....	51,093	7,287	.....	1,040
Other U. S. ports	32,312	88,584	34,712	28,350	1,443	276
Sarnia	87,932	69,075	20,250	12,894	.....	.....
St. Catherines	.....	442,142	.....	.....	.....	.....
Kingston	295	155,640	.....	26,600	.....	.....
Montreal	.....	78,166	.....	.....	.....	.....
By Chic. & N W. R.R	242,681	695,188	3,506	....	1,000	7,050
By Detroit & Mil. R.R	83,812	63,170	16,798	29,661	677	2,950
Total shipments	720,365	11,634,749	1,636,695	480,408	255,329	18,988
Consu'd & on hand Dec. 31, 66.	104,443	.....	288,324	315,734	138,229	148,810
Wheat ground by city mills	.....	1,643,650	.....	.....	.....	.....
Wheat in store Dec. 31, '66	....	351,395	.....	.....	.....	....
Grand total	824,763	13,629,794	1,925,019	796,142	393,558	167,798

The two following tables show the total movement of flour and grain for a series of nine years:

RECEIPTS OF FLOUR AND GRAIN 1858–1866.

	Flour, bbls.	Wheat, bushels.	Oats, bushels.	Corn, bushels.	Barley, bushels.	Rye, bushels.
1858	269,871	4,876,177	68',470	107,948	159,576	21,656
1859	239,952	5,459,927	360,912	156,341	123,984	32,733
1860	305,208	9,108,458	178,963	126,404	159,795	32,382
1861	518,300	15,730,706	151,346	114,981	66,991	73,448
1862	529,600	15,613,995	282,756	258,954	149,997	154,476
1863	453,424	13,485,419	948,429	355,450	199,469	158,882
1864	295,225	9,147,274	1,055,844	460,575	198,325	88,541
1865	389,771	12,043,659	657,492	270,754	149,443	134,360
1866	488,094	12,777,557	1,817,230	789,080	152,696	383,030

The quantity of flour made at the city mills during each of the last eight years was as follows:

In 1859	142,500 barrels.	In 1863	185,813 barrels.
1860	202,810 "	1864	187,339 "
1861	250,256 "	1865	212,829 "
1862	221,729 "	1866	328,730 "

EXPORTS OF FLOUR AND GRAIN 1857–1866.

	Flour, bbls.	Wheat, bushels.	Oats, bushels.	Corn, bushels.	Barley, bushels.	Rye, bushels.
1857	228,442	2,581,311	2,775	474	800	.....
1858	298,688	3,994,213	562,067	43,958	63,178	5,378
1859	282,956	4,732,957	299,002	41,364	53,216	11,577
1860	457,343	7,568,608	64,682	37,204	28,056	9,735
1861	674,474	13,300,495	1,200	1,485	5,220	29,810
1862	711,405	14,915,680	79,004	9,489	44,800	126,301
1863	603,526	12,837,620	831,600	88,989	133,440	84,047
1864	414,833	8,992,479	811,634	146,786	23,479	18,210
1865	567,576	10,479,777	326,472	71,203	29,597	51,444
1866	720,365	11,634,749	1,636,695	480,408	18,988	255,329

The following table shows the amount of flour and grain in store on the 1st of January, for eight years:

	1867.	1866.	1865.	1864.	1863.	1862.	1861.	1860.
Flour, bbls	15,590	7,939	12,349	28,519	35,000	41,357	18,296	43,000
Wheat, bush	351,395	852,237	352,500	1,134,400	1,411,601	1,826,931	648,000	314,000
Oats, bush	44,882	107,789	81,700	87,500	.....	.....	.....	....
Corn, bush	12,940	7,062	5,400	.....	.....	.....	.....	.....
Rye, bush	12,785	10,528	.....	.....	.....	.....	.....	...
Barley, bush	839	15,102	21,200	.....	.....	.....	.....	.....

The beef and pork business of Milwaukee, though second to the flour and grain trade, is still important, and a distinguishing feature in the general trade of the city. The receipts of hogs for eight seasons, with the average and total weight dressed may be seen in the annexed statement:

	Number of hogs.	Av. wgt., pounds.	Total weight, pounds.	Price of dressed hogs.
In season of 1858–59	52,091	225¼	7,228,497	.....
do 1859–60	51,687	193¾	10,001,434	.....
do 1860–61	60,129	238⅔	14,350,788	5 00@ 6 55
do 1861–62	89,461	200	19,892,200	2 50@ 3 50
do 1862–63	182,465	219	29,958,885	3 50@ 5 25
do 1863–64	141,091	202	28,500,382	5 50@ 8 25
do 1864–65	107,220	196⅞	21,108,934	12 00@15 25
do 1865–66	92,857	232½	21,589,252	9 00@11 35

The results of pork-packing in the city for the last four seasons was as follows:

	1862-63.	1863-64.	1864-65.	1865-66.
Number of hogs	182,465	141,091	107,229	88,853
Average net weight	219	202	196⅞	232½
Lard, pounds	6,016,707	3,791,485	2,514,812	2,954,779
do to each hog	33	27⅓	23⅝	33½
Pork, clear, bbls	....	1,065	2,943	1,350
do mess do	45,536	33,794	20,275	38,393
do prime do	7,383	17,114	18,710	1,170
do extra prime, bbls	13,912	8,464	8,361	5,648
do rumps do	....	....	....	248
Middles, Cumberlands, boxes	....	....	1,923	1,543
do short rib do	....	....	733	330
Shoulders, dry salted, lbs	....	....	....	2,049,622
Hams, sweet pickled, tcs	....	....	....	8,228
do do bbls	....	....	....	1,205

The number of cattle, calves, hogs and sheep slaughtered in the three years 1863–65, inclusive, according to the U. S. Assessors' return, was as follows:

	Beef Cattle.	Calves.	Hogs.	Sheep.
In 1863	25,170	5,021	58,829	5,217
1864	26,471	6,843	42,155	8,140
1865	18,988	4,937	7,939	12,375

The receipts of cattle and general returns of beef packing for four years, as given in the report of the Chamber of Commerce were as follows:

	1862.	1863.	1864.	1865.
Receipts of cattle	.....	25,170	26,471	20,177
Cattle slaughtered	13,876	18,224	18,078	11,360
Beef packed, bbls.	25,275	31,365	35,274	9,629
" " tcs.	2,940	10,145	4,030	10,142
Tallow, lbs.	677,700	1,024,920	540,540	753,044

The returns for 1865 are defective, and as to the number of cattle slaughtered the Commercial, as compared with the Assessor's report is short by 2,628 head.

The total shipments of provisions from Milwaukee for the same years are shown in the following:

	Pork			Beef		Lard		Tallow	
	Bbls.	Tcs.	Boxes.	Bbls.	Tcs.	Bbls.	Tcs.	Bbls.	Hhds.
1862	56,434	12,965	.....	33,174	3,217	13,538	6,751	4,750	...
1863	90,387	15,811	.....	42,987	6,377	10,987	10,546	4,928	250
1864	67,933	5,927	11,634	26,866	5,871	6,557	7,107	5,255	249
1865	34,013	2,713	5,000	10,427	5,528	1,929	2,487	927	43

The following table shows the equivalent in barrels of pork and beef products exported in fifteen years:

	Pork, bbls.	Beef, bbls.		Pork, bbls.	Beef, bbls.		Pork, bbls.	Beef, bbls.
1851	3,877	2,441	1856	11,742	2,399	1861	47,428	18,665
1852	23,861	7,843	1857	1,945	3,754	1862	69,099	37,998
1853	7,226	4,371	1858	8,864	12,182	1863	122,100	52,552
1854	26,897	6,018	1859	31,661	14,371	1864	100,963	44,672
1855	33,047	236	1860	28,019	21,390	1865	48,707	18,719

The receipts and shipments of butter, wool and hides for seven years are shown in the annexed:

	Butter, lbs		Wool, lbs		Hides	
	Received.	Shipped.	Received.	Shipped.	Received	Shipped.
1859	545,658	504,574	492,259	713,552	....	....
1860	889,025	814,360	485,714	669,375	85,409	32,941
1861	484,358	637,706	732,706	1,000,225	69,743	17,991
1862	1,068,967	1,238,406	1,149,772	1,314,210	128,168	32,042
1863	852,596	986,826	.....	1,355,379	110,849	21,807
1864	1,386,317	1,749,755	1,957,601	1,993,372	144,334	44,961
1865	1,200,381	1,263,740	1,787,268	2,277,850	134,019	31,449

The receipts of hides includes hides taken off by city butchers and packers which numbered for the six years above given 12,873, 12,306, 17,876, 21,381, 26,471, and 18,925 respectively. The difference between the receipts and shipments gives the number of hides tanned or on hand at the end of the year. The shipments of leather in 1864 was 8,726 rolls, and in 1865, 8,993 rolls.

The Lumber Trade of Milwaukee is extensive, but by no means as large and regular as it otherwise would become had the city more direct communication with the consuming regions of Illinois and Iowa. Such a

communication, however, is about to be made in the construction of a railroad from the city to a junction with the Western Union Railroad, which traverses Northern Illinois to the Mississippi River, and it is estimated by those qualified to judge that this will increase the trade a hundred per cent within a year after its completion. The following table shows the receipts for ten years:

	Lumber, ft.	Shingles, No.	Lath, ft.		Lumber, ft.	Shingles, No.	Lath, ft.
1856.....	63,498,000	11,829,000	5,207,000	1861.....	56,534,000	19,607,000	2,823,000
1857.....	71,035,000	21,531,000	9,570,000	1862.....	38,858,000	13,385,000	3,950,000
1858.....	45,525,000	17,569,000	6,219,000	1863. ...	30,158,114	7,971,000	1,373,000
1859.....	32,047,000	13,814,000	3,108,000	1864.....	35,547,868	3,327,000	2,038,000
1860.....	39,124,000	12,871,000	2,899,000	1865.....	42,055,773	2,589,000	3,525,000

The falling off in the lumber trade since 1856 and 1857, in which years it received its highest development, has been owing to the completion of the Chicago and Northwestern Railroad to the lumber region. By this line the lumber formerly carried into Milwaukee, and thence by water into Chicago, is now carried directly to the latter port.

The principal receipts of Eastern merchandise by lake and the Detroit and Milwaukee Railway steamers for these years are shown in the following statement:

	1863.	1864.	1865.		1863.	1864.	1865.
Apples, bbls.....	69,910	51,264	88,606	Oil, bbls.....	8,757	7,949	14,946
Coffee, sacks.....	7,801	5,406	9,575	" casks	152	146	173
Coal, tons.....	42,315	44,503	33,369	Sugar, bbls.	33,999	19,509	33,530
Dried apples, bbls..	4,002	2,046	1,390	" hhds.....	2,565	1,133	2,554
" sacks.	....	193	428	" boxes.....	546	326	638
Fish, pkgs.....	24,252	25,444	40,589	Salt, bbls 177,024		119,102	130,061
Hardware, pkgs ...	33,000	23,327	43,601	" sacks	....	1,753	100
Iron, bars.....	57,935	45,209	43,146	" tons	1,543	....	....
" bdls.....	50,422	29,391	32,361	Stoves, No	....	30,096	36,498
Molasses, bbls.....	9,045	5,501	9,135	Tea, chests	11,095	7,497	11,108
" hhds	140	156	40	Tin plates, bxs....	7,850	1,509	3,002
Nails, kegs.....	50,783	35,574	37,358				

The total amount of Eastern merchandise, exclusive of coal, railroad iron and plaster, received in 1865, was 50,444 tons, of which 36,390 tons arrived by lake and 14,054 tons by the Detroit and Milwaukee Railroad. A very considerable amount was also received by the Chicago and Milwaukee Railroad, of which no account is recorded.

From the records of the Custom House it appears that the total value of articles imported directly from foreign countries in 1865 was $160,806, and the value of produce exported to foreign countries, mostly Canada, $2,129,988. In 1864 the imports were only $16,628, but the exports amounted to $3,778,820. Among the exports in 1865 were: flour 155,521 bbls., wheat 1,355,899 bushs., pork 2,034 bbls., and 27,450 lbs., &c.

The total number of arrivals at the Milwaukee Custom House in 1865 was 3,099 vessels, and 1,359,962 tons. The number of departures was 3,085 and 1,358,819 tons. The arrivals and departures in 1865, and the three previous years were as follows:

ARRIVALS.	Vessels.	Tons.	DEPARTURES.	Vessels.	Tons.
American vessels.....	3,030	1,339,714	American vessels.....	2,974	1,314,504
Foreign vessels.....	69	20,248	Foreign vessels.....	111	34,315
Total, 1865.....	3,099	1,359,962	Total, 1865...	3,085	1,358,819
" 1864.....	3,061	1,356,540	" 1864.....	3,032	1,353,851
" 1863.....	3,414	1,538,133	" 1863.....	3,387	1,534,821
" 1862...	3,381	1,489,473	" 1862.....	3,256	1,502,325

Besides the articles of commerce named in the above statements there are a number of others which enter into the trade of Milwaukee, the products of Wisconsin or the manufactures of the city itself. Among the former are the lead of Southern and the iron of Northern Wisconsin, the ales and beer of the city, and the high wines. The receipts of lead in 1865 were 4,636 pigs, or 348,000 lbs. and of pig-iron 1,785 tons. The total of high wines made in the city was 3,046 barrels, and of beer and ale 58,666 barrels. There are probably a greater number of breweries in Milwaukee than in any other Western city, and the famous Milwaukee lager is a favorite beverage far and near. These breweries are also among the largest in the country.

SUPPLY OF COAL AND OTHER FUELS IN EUROPE AND AMERICA.*

An important question has commanded attention on both sides of the Atlantic, but chiefly in Great Britain, as to the yield of the coal fields at present known, and whether it will long suffice for the growing demand? It has been asserted that at no very distant day the coal mines of the United Kingdom will fail to supply fuel enough for the constantly increasing requirements of local consumers and exporters; and the allegation is met by another, coming from Mr. Hussey Vivian, to the effect that, at the present rate of consumption, the collieries of the British Islands will yet last for a period of 500 years. Another theory is that at the present rate of production—say 100,000,000 tons per annum—exhaustion will follow in 300 years; and still another estimate places the limit at 212 years. As the fuel question is one of considerable interest, it has been thought worth while to collect some information bearing upon it, and present it here in a concise form, with the premise that this is not the place to discuss differences in statements, nor to try to reconcile discrepancies.

COAL FIELDS OF THE WORLD.

The following table (abridged from Daddow & Bannan's volume, entitled, "Coal, Iron, and Oil,") affords a very comprehensive view of the extent of the coal fields in Europe and America. Exceedingly little indeed is known of the other coal formations of the world; it is quite probable, however, that vast coal regions exist in Brazil, Africa, Hindostan and China:

Countries.	Total area of territory in the country. sq. m.	Area of the coal f rma-tion. sq. m.	Total profitable w'rk'g area. sq. m.	Estimated contents p. acre tons.	Number of workable acres in coal area. acres.	Coal produced in each country in 1865. tons.	Estimated total available supply in each country. tons.
Russia in Europe	2,095,000	.....	100	....	.....	.....	.....
Spain	177,781	4,000	200	....	.....	.....	.....
Belgium	11,313	520	510	90,000	326,400	10,000,000	30,000,000,000
Austria	257,830	2,000	800	90,000	512,000	5,000,000	46,080,000,000
France	203,736	2,000	1,000	90,000	640,000	10,000,000	57,690,000,000
Great Britain	121,000	12,000	6,195	45,000	3,200,000	90,000,000	144,000,000,000
British North America ..	100,000	18,000	2,200	30,000	1,408,000	500,000	42,240,000,000
Australia	3,120,000	100,000	15,000	30,000	9,600,000	250,000	288,000,000,000
Pennsylvania(Anthracite)	46,000	530	470	90,000	300,800	10,000,000	27,070,000,000
do (Bituminous)	46,000	15,000	13,000	45,000	8,320,000	15,000,000	294,400,000,000
Illinois	55,405	40,000	30,000	30,000	19,200,000	1,000,000	576,000,000,000
Other regions in U. States	3,000,000	500,000	200,000	30,000	128,000,0 0	22,000,000	3,748,000,000,000

* Prepared by Wm. J. Patterson, Secretary of the Montreal Board of Trade.

The subjoined statement shows the workable areas of the coal fields in various countries, with the quantities produced in 1864:

	Square miles.	Tons produced.
British Islands	6,195	86,000,000
United States	200,000	22,000,000
Prussia and Saxony	1,000	12,000,000
France	1,000	10,000,000
Belgium	510	10,000,000
Austria and Bohemia	1,000	2,500,000
Spain	200	400,000
British North America	2,200	500,000
Total tons produced		143,400,000

The area of all Europe is about 3,758,000 square miles, the coal-producing area being less than 10,000 square miles. The entire area of the United States is about 3,000,000 square miles, the productive coal area being over 200,000 square miles. Great Britain has an area of only 121,000 square miles, yet its productive coal area is 6,195 square miles, or nearly double that of all the rest of Europe. Europe has about one square mile of coal area to every 375 of territory; the United Kingdom has one to every 20 square miles; the United States one to every 15 square miles; and British North America one to every 46 square miles.

COAL FIELDS OF GREAT BRITAIN.

The extent of the British coal fields has been stated thus:

	Square miles.		Square miles.
Great Northern Coal Field, in Northumberland and Durham	750	Staffordshire	250
Great Central Coal Field, Yorkshire	900	Warwickshire	105
Cumberland, West	100	Forest of Dean	30
Lancashire, Cheshire	500	Somerset and Gloucester	50
North Wales	160	Derbyshire	250
Shropshire	100	South Wales	1,250
		Scotland	1,500
		Ireland	250
Total square miles			6,195

The subjoined statement is condensed from Dr. Ure's estimate of the workable area of the principal coal fields in the United Kingdom:

Principal Coal Fields.	No. of workable seams.	Thickest seam in feet.	Estimated workable area, acres.
Northumberland and Durham	18	7	500,000
Cumberland, Westmoreland and West Riding of Yorkshire	7	9	99,500
Lancashire, Flintshire, and North Staffordshire	75	10	550,000
Yorkshire, Nottinghamshire, and Derbyshire	12	10	651,500
Shropshire and Worcestershire	17	..	79,954
South Staffordshire	11	40	65,000
Warwickshire and Leicestershire	9	21	80,000
Somersetshire and Gloucestershire	50	7	167,500
South Wales	30	9	600,000
Scotland	84	30	1,045,000
Ireland	9	6	1,850,000
Total estimated workable area		acres.	5,688,454

Edward Hull, Esq., of the British Geological Survey, made the following statement of the condition of the principal coal fields of the United Kingdom:

Coal crop.	Area, Square miles.	Coal contents, millions of tons.	Produce of 1861, tons.	No. of collieries 1861.
Scotch	1,920	25,300	11,081,000	424
Newcastle	1,845	24,000	34,635,884	848
Lancashire, Staffordshire, etc.	535	7,591	25,643,000	1,158
South Wales	1,094	26,560	13,201,796	516
Cumberland	25	90	1,255,644	28
Totals	5,419	83,544	85,817,324	2,974

W. Stanley Jevons, Esq., in his work on "The Coal Question," has tabulated estimates respecting the duration of the Northumberland and Durham coal field:

Author of estimate.	Date of estimate.	Supposed area of coal measures unworked, sq. miles.	Estimated amount of coal, millions of tons.	Assumed annual consumption of coal, tons.	Duration of supply, years.
MacNab	1792	300	....	.....	350
Bailey	1801	...	....	1,866,200	200
Thomson	1814	...	5,575	3,700,000	1,000
Bakewell	....	...	....	.....	350
Hugh Taylor	1830	732	6,046	3,500,000	1,727
Buckland	1830	...	....	.....	400
Greenwell	1846	...	....	10,000,000	331
T. Y. Hall	1854	750	5,122	14,000,000	365
E. Hull	1864	685	7,226	16,001,125	450

Sir William Armstrong remarked in 1863 upon these calculations as follows:

"The estimates are certainly discordant; but the discrepancies arise, not from any important disagreement as to the available quantity of coal, but from the enormous difference in the rate of consumption at the various dates when the estimates were made, and also from the different views which have been entertained as to the probable increase of consumption in future years. The quantity of coal yearly worked from British mines has been almost trebled during the last twenty years, and has probably increased tenfold since the commencement of the present century; but as this increase has taken place pending the introduction of steam navigation and railway transit, and under exceptional conditions of manufacturing development, it would be too much to assume that it will continue to advance with equal rapidity.

* * * * * * *

"The statistics collected by Mr. Hunt, of the Mining Record Office, show that, at the end of 1861, the quantity of coal raised in the United Kingdom had reached the enormous total of 86 millions of tons, and that the average annual increase in the eight preceding years amounted to 2¾ millions of tons.

"Let us inquire, then, what will be the duration of our coal fields, if this more moderate rate of increase be maintained. By combining the known thickness of the various workable seams of coal, and computing the area of the surface under which they lie, it is easy to arrive at an estimate of the total quantity comprised in our coal-bearing strata. Assuming 4,000 feet as the greatest depth at which it will ever be possible to carry on mining operations, and rejecting all seams of less than two feet in thickness, the entire quantity of available coal existing in Great Britain has been calculated to amount to 80,000 millions of tons—which, at the present rate of consumption, would be exhausted in 930 years; but with a continued yearly increase of 2¾ millions of tons, would only last 212 years."

It is certain that the annual yield of coal by the 3,268 mines in Great

Britain, is now considerably more than 100,000,000 tons annually. The British Board of Trade returns show that the local and export trade of the Kingdom were as follows:

	Local consumption.	Exported.
In 1864	60,352,146 tons	4,309,255 tons.
1865	85,461,038 "	9,170,477 "
1866 (estimated)	89,082,215 "	9,916,244 "

It appears from these figures that in eleven years the consumption of coal in Great Britain had increased 41½ per cent.; while the quantity exported during the same period showed an increase of 112¾ per cent. From these ratios of increase it has been inferred that the yield of the British coal-mines in the year 1900 will amount to 300,000,000 tons, and in the year 1950 to the vast quantity of 2,000,000,000 tons.

The quantities and values of "coals, cinders, and culm," exported from Great Britain to various countries during the year 1864, 1865, and 1866, are shown in the following table:

	1864		1865		1866	
Exported to—	Tons.	Value.	Tons.	Value.	Tons.	Value.
Russia	472,844	£206,260	488,168	£224,791	575,154	£281,939
Sweden	245,894	103,418	261,682	116,879	274,295	133,855
Denmark	593,282	242,942	545,333	242,731	696,781	327,229
Prussia	355,722	131,361	597,771	227,392	476,529	203,855
Hanse Towns	576,590	229,529	604,780	260,626	611,315	291,266
Holland	241,332	104,329	237,602	108,669	243,806	118,559
France	1,447,494	623,139	1,589,707	722,148	1,904,091	892,981
Spain and Canaries	546,020	287,242	473,301	258,510	527,181	303,947
Italy—Sardinia	245,418	155,683	292,485	131,479	318,358	167,944
United States	202,763	129,470	197,401	118,430	134,107	83,901
Brazil	186,992	108,426	222,985	131,766	245,321	149,720
British India	364,038	201,611	342,283	195,667	436,292	251,172
Other countries	3,226,510	1,632,353	3,316,689	1,688,089	3,473,014	1,877,641
	8,809,908	£4,165,773	9,170,477	£4,427,177	9,916,244	5,084,009

France appears to be Great Britain's best customer for coal, and to be increasing her importations every year. Among the "other countries" referred to in the table, exportations in 1865 were: To Cuba 229,569 tons, to St. Thomas 65,974 tons, to British North America 171,876 tons, to British West India Islands, including British Guiana 130,317 tons.

The following table shows the values of the quantities of coal produced in the United Kingdom in various years within the past quarter of a century—calculated at 5s. sterling per ton at the pit's mouth:

	Tons.	Value.		Tons.	Value.
1845	31,500,000	£7,875,000	1860	80,042,698	£20,010,674
1850	50,000,000	12,500,000	1861	83,635,214	20,908,803
1854	64,661,401	16,165,350	1862	81,638,338	20,409,584
1855	61,453,079	16,113,257	1863	86,292,215	21,573,053
1856	66,645,450	16,663,862	1864	90,000,000	22,500,000
1857	65,394,707	16,348,676	1865	94,631,515	23,657,879
1858	65,008,649	16,252,162	1866	98,998,469	24,749,617
1859	71,979,765	17,994,941			

The number of persons employed in coal-mining in Great Britain in 1865 is said to have been 300,000; and if the ratio of increase observed in past years shall continue, it is calculated that the under ground working population in the year 1950 will be about twice the present population of British North America!

While it is admitted that there may come a time when the yield of coal from the existing colleries will not be equal to the estimated prodigious

demand of future years, the fact should not be overlooked that the indications of geologists respecting the localities where profitable coal workings may be expected, are not always to be implicitly relied upon. This is shown by recent discoveries in Shropshire, England, a new coal district having been opened up to mining enterprise, in a region where it was asserted no such deposit could be expected. Such is also alleged to have been, at least in one instance, the experience of explorers in Nova Scotia. There may be hope in another direction. It is asserted that the present method of consuming coal for manufacturing and household purposes, cause an average loss of 60 per cent. of caloric. If such be the case, it can scarcely be doubted that an anticipated scarcity will stimulate the ingenuity of inventors; and the mere smoke-consuming appliances may be so improved as to prevent the loss of so very great a percentage of the heat generated at so much cost; for if the estimate of the quantity of coal consumed in Great Britian in 1865 be correct, then it would appear that the heat arising from the consumption of over 51,000,000 tons of coal—*i. e.*, 60 per cent. of the 85,461,038 tons consumed in that year, was wasted by escaping into the atmosphere.

COAL IN THE UNITED STATES.

In attempting to convey an intelligible idea of the extent of the coal-fields of the United States, a recent writer on the subject puts the case in this way: "The relative amplitude of the coal seams of our own and other countries may be made more appreciable by taking the amount of workable coal in Belgium as our unit; than that of the Britannic isles becomes rather more than 5; than that of all Europe $8\frac{3}{4}$, and that of North America 111."

	Sq. miles.
Massachusetts and Rhode Island —Bituminous	300
Pennsylvania—Anthracite	470
Pennsylvania—Bituminous	12,656
Maryland, do	550
West Virginia, do	15,000
East Virginia, do	225
North Carolina, do	45
Tennessee, do	3,700
Georgia, do	170
Alabama, do	4,300
Kentucky, do	13,700
Ohio, do	7,100
Indianna, do	6,700
Illinois, do	30,000
Michigan, do	13,000
Iowa—Bituminous	24,000
Missouri, do	21,000
Nebraska, do	4,000
Kansas, do	12,000
Arkansas, do	12,000
Indian Territory—Bituminous	10,000
Texas, do	3,000
Oregon, do	500
Oregon—Anthracite	100
Washington Territory—Bituminous, (estimated)	750
West of Rocky Mountains—Bituminous, (estimated)	5,000
Total	200,266

These coal regions contain an immense supply of fuel. The anthracite district, as compared with the bituminous areas, is insignificant, yet the workable deposit of the former is calculated to be 18,000,000,000 tons; which would yield 15,000,000 tons per annum for 1,200 years. The greatest bituminous coal seam known in the United States is the one in Western Pennsylvania, in the midst of which Pittsburg is situated; according to estimate it covers 8,600,000 acres, the upper seam of the area containing 53,516,000,000 tons. The actual yield of anthracite in 1865

was 11,532,732 tons; of bituminous, 11,324,207 tons; total in that year, 22,856,939 tons.

The progress of the coal trade of the United States is shown by the following statement of the quantities marketed during 46 years:

	Tons.		Increase.
1820 to 1830	359,190	....	...
1830 to 1840	6,261,197	....	164 per cent.
1840 to 1850	19,3[illegible]8,429	....	21 "
1850 to 1860	56,954,869	....	19½ "
1860 to close of 1865	52,172,869	....	8½ "
Total	135,121,489		

COAL MINES OF BRITISH NORTH AMERICA.

The area of the coal-fields of British North America has been variously estimated at from 5,000 to 10,000 square miles. Professor H. Y. Hind cites the following details:

1st. *Central Coal Field of Nova Scotia and New Brunswick.*—Area, 6,800 square miles; maximum thickness, 14,570 feet; number of seams of coal, 76; aggregate thickness of coal, 45 feet. The principal known coal beds are at the Joggins in Nova Scotia,—3½ and 1½ feet thick. The Grand Lake seam in New Brunswick is 22 inches thick.

2d. *Colchester and Hants Coal Field, N. S.*—Area 200 square miles; coal seams, under 18 inches.

3d. *Picton Coal Field, N. S.*—Area, 350 square miles; thickness of main coal seams, 37½ to 38 feet and 22½ feet, separated by 157 feet of strata. [A pillar of coal 36 feet high was sent from this region to the International Exhibition at London, in 1862, and one somewhat larger to the Paris Exposition this year.]

4th. *Coal Fields of Richmond and Cape Breton.*—Area 350 square miles; productive measures cover 250 square miles; thickness 10,000 feet; contains numerous seams of workable coal, the main seam is 6 feet 9 inches thick. Valuable coal seams occur also at Lingan and Bridgeport, one of which is 9 feet in thickness.

5th. *Newfoundland Coal Field.*—Two small coal fields exist on the Island; the thickest bed is about three feet.

Another authority has tabulated the workable areas in the Maritime Provinces thus:

	Sq. miles.
New Brunswick	1,000
Nova Scotia—Cape Breton	200
Pictou	350
Cumberland	250
Newfoundland	250
Prince Edward Island	150

COAL IN NOVA SCOTIA.

The most productive districts in the Maritime Provinces are those of Pictou and Sydney in Nova Scotia. The "main coal" in the Pictou district is 36 feet thick, at one point 38 feet. The coal seams of Sydney are of smaller dimensions.

The tables on pages 42 and 43 contain estimates of aggregate product of the coal fields of British North America, while the extent of the coal areas in the several Provinces is given above. But there are great discrepancies between statements; for, it has been "roughly estimated" by one gentleman of mining experience in Nova Scotia, that the future available supply of coal in that Province will not exceed 400,000,000 tons. While another gentleman, addressing the writer of this report, says:—"I have with considerable care calculated the available quantity of coal in the Cape Breton field, and feel certain that it cannot exceed 300,000,000 tons in beds of workable thickness, that is not less than 2′ 10″ or 3′ 00″ thick, The coal deposits in Nova Scotia proper, *that may be profitably worked.* are also very limited, and the product can hardly exceed 300,000,000 tons. Hence their great value, taken in connection with their accessibility, and lying principally on the direct line of commerce."

The following statement by Professor Leslie is submitted here, as the view of one of the highest authorities:—"The Albion Mines' beds are very extraordinary deposits; they form an exception to all the phenomena of of coal in all the British Provincial coal regions. Nothing like them has been discovered in the Provinces. The thickest beds of Cape Breton, East Coast, are never over 12 feet, and usually under 9 feet: but we have one bed (the main seam) 38 feet 6 inches thick, of which 24 feet are good coal, and the rest partings of black shale and iron stone; and another bed (the deep seam) 24 feet thick, one half of which is good coal, the other half being poor coal and black shale in intermediate layers. The enormous quantity of coal here preserved can only be estimated properly by those who have been used to the vast operations on the grey ash part of the anthracite region, where the regular 30 feet vein yields at least twenty millions of tons to the square mile, after all deductions have been made."

The opinion of Principal Dawson is also valuable. He has said:—"A cubic foot of the Pictou coal weighs above 82 lbs., rather less than 28 feet being equal to a ton of coal; hence a square mile of this seam (the main seam) would yield in round numbers 23,000,000 tons." Allowing 12 feet of good coal for the deep seam, and 6 feet for the MacGregor seam, they and the main seam together contain 42 feet of good coal, a square mile of which would yield the enormous amount of 40,250,000 tons.

There are now 30 coal mines in operation in Nova Scotia and Cape Breton, which, according to returns from the Department of Mines, produced the following quantities in the respective years ending 30th September:

	1866		1865	
	Tons, round.	Tons, slack.	Tons, round.	Tons, slack.
Sold for home consumption.....	87,640	11,986	51,262	8,276
Exported to other B. N. A. Provinces....	95,077	11,583	44,558	8,003
Exported to other countries.....	378,711	16,304	509,775	30,980
Total.....	561,428	39,873	605,595	47,259

The Chief Commissioner of mines for the Province (P. S. Hamilton, Esq.,) has furnished the following figures, showing the quantity of coa

raised and shipped in Nova Scotia from 1855 to 1866, both years inclusive:

Years.	Tons.	Cwts.	Years.	Tons.	Cwts.
1855	216,338	3	1862	393,631	5
1856	239,934	7	1863	429,351	..
1857	267,808	17	1864	406,699	..
1858	289,618	..	1865	605,595	..
1859	267,496	..	1866	561,428	5
1860	304,129	..			
1861	334,545	15	Total	4,308,574	12

The mines to which the figures in the foregoing tables refer are situated as follows:

Chiegnecto Company,	Cumberland	County	Caledonia, Glace Bay	Cape	Breton
Joggins	do		Clyde	do	
Lawrence	do		Collins	do	
Maccan	do		Glace Bay	do	
St. George Company.	do		Gowrie	do	
Victoria	do		International	do	
Acadia	Pictou	County.	Lingan	do	
Albion	do		Matheson Little Bras d'Or	do	
Bear Creek	do		Mira Bay	do	
McDonald and McKay	do		Roach and McInnis	do	
N. Scotia Coal Company	do		Sidney	do	
International	do		Port Hood	Inverness	County.
Acadia	Cape	Breton.	Richmond	Richmond	do
Block House	do		Sea Coal	do	do
Caledonia Cow Bay	do		New Cambleton	Victoria	do

In the year 1864, 1865, and 1866, Nova Scotia imported as follows:

	1864.	1865		1866	
	Chaldrons.	Chald's.	Tons.	Chald's.	Tons.
From Great Britain	3,100	....	5,819	1,206	481
Canada	....	....	803	....	....
New Brunswick	832	338	173	906	....
British West Indies	80	....	1,142	....	....
United States	343	172	1,052	2,527	....
	4,355	510	8,989	4,639	481

The exports in the same year were as follows:

	1864. Chaldrons.	1865. Tons.	1866 Tons.
To Great Britain	....	....	575
Canada	3,875	7,012	16,300
New Brunswick	5,208	6,079	16,733
Newfoundland	13,846	23,706	36,132
Prince Edward Island	6,846	14,022	14,678
British West Indies	2,188	2 218	2,028
United States	244,175	450,294	392,712
Spanish West Indies, &c	2,600	4,589	3,885
St. Pierre	258	1,985	2,206
	278,996	515,905	484,749

Cost of Working the Mines.—The Chief Commissioner in his Report for twelve months ending 30th September, 1866, shows the amounts ex-

pended in coal-mining operations by the various companies during the fiscal year to have been—

MINES IN NOVA SCOTIA PROPER.	
Victoria	$575
Macan	3,800
Chiegnecto	19,762
St. George	8,208
Albion	38,875
Acadia	62,925
Nova Scotia	4,275
Bear Creek	601
German	4,054
Montreal and Pictou	2,215
Miscellaneous workings	4,680
MINES IN CAPE BRETON.	
Port Hood	19,480
New Cambletown	$15,574
Sydney Mines	28,858
Lingan	13,020
International	5,621
Caledonia	58,483
Little Glace Bay	28,242
Clyde	1,332
Block House	11,954
Gowrie	31,021
Mira Bay	1,200
South Head	4,870
Richmond	8,810
Sea Coal Bay	208
	$377,951

The Commission makes the following remarks relative to the abrogation of the Reciprocity Treaty:

"Although there has been a falling off in the total quantity of coal produced from our mines, the large number of applications made for licenses during the year evinces the interest which still prevails relative to this department of our mining resources. Within the year 376 applications have been made for licenses to search, embracing about 1880 square miles. Of this area 84 applications, covering about 420 square miles, have been for ground never previously applied for. Again, the number of licenses to work taken out during the year comprises 73 square miles, a larger extent than has ever been applied for within any previous year. This last fact indicates an increased degree of confidence in the Nova Scotian coal deposits from those who have been most engaged in exploring them.

"As to the decrease in our coal product for the past year, the cause of that must be patent to every one. The abrogation of the so-called Reciprocity Treaty with the United States, and the imposition, in the latter country, of a somewhat heavy duty on coal, has of course, had its damaging effect upon our coal trade, as the United States was our largest consumer. Still the effect has not been so great as might reasonably have been expected; and the aspect of affairs at the close of the first fiscal year after the abrogation of the Treaty, is the very reverse of discouraging. On reference to tables in the appendix, droping fractions, it will be seen that the total sale of coal during the year amounted to 601,302 tons, or 51,551 tons less than those of the last previous year. Yet the shipments to the United States show a decrease of 145,744 tons. This falling off, it may reasonably be presumed, is not wholly to the abrogation of the Treaty. The great demand for coal during the late war, and the depressing effects of the war upon productive industry in the United States, gave a great stimulus to our coal trade, and one which did not cease with the close of the war Again, when the abrogation of the Treaty was imminent, a further stimulus was afforded to that trade, efforts being made to force as much coal as possible into the United States market before a duty should be imposed upon it.

"When we look to the other side of the account—to the direction in which our coal trade has increased—the prospect is very cheering. The proprietors of collieries, having a check put upon their trade with the United States, have been looking about them for new markets. The home consumption has increased, as might have been expected, in the natural course of things—the increase amounting to about fifty per cent. within the year. What is more important, the exports of coal to the neighboring North American Colonies has increased by 54,099 tons. These figures, however, do not sufficiently explain the matter. The annual export of coal to the neighboring Colonies has more than doubled within the past year, and present indications warrant the belief in a rapid and continued increase in this trade. In the prospect of negotiations for a revival of the Reciprocity Treaty, these facts are worthy of note. Should existing commercial relations with "other countries" remain as they are, I see no

reason to doubt that, by the close of the incoming year, the sales of Nova Scotian coal will have attained as great an amount as they would at the same period had the Reciprocity Treaty continued in operation."

COAL IN NEW BRUNSWICK.

It is to be regretted that so little is known respecting the coal-fields of this Province. The subjoined figures indicate a considerable importation for home consumption, the exports consisting chiefly of the peculiar products of New Brunswick. The Albert mine produces a highly bituminous coal (*Albertite*, as it has been designated), the opinion being entertained that it is a mere *deposit of asphalta;* it is now profitably worked. Professor Baily is of opinion that the bituminous shales are mis-named, that they are neither "shale" nor "schist," but a true "cannel coal;" unlike the Scotch cannel coal, however, to which they are supposed to be analogous, they leave a very large residuum.

The following are the imports of coal into New Brunwick during 1864 and 1865:

	1864, tons.	1865, tons.
From United Kingdom	16,997	17,207
" Canada	21	20
" Nova Scotia	10,813	8,428
" Bermuda	267	223
" United States	3,164	5,235
" Prince Edward Island	....	53
Total	31,262	31,166

The aggregate coal and shale exported in 1864 was 18,011 tons—16,609 tons going to the United States. In 1865, 1,232 tons of bituminous coal were exported; 17,464 tons of Albert coal, and 1,242 tons of shale;—the Albertite and shale being nearly all for the United States.

COAL IN NEWFOUNDLAND.

Available information throws no light upon the coal mines of this island. The imports of 1865 amounted to 35,509 tons, viz., 25,494 tons from Nova Scotia, and 9,799 tons from the United Kingdom. In the same year there were 663 tons exported: including 151 tons to the British West Indies, 266 tons to the French West Indies, and 146 tons to Brazil.

PEAT FUEL.

During the past year or two the preparation of peat fuel by various mechanical processes has been prosecuted both in Europe and America. A peat bog is henceforth to be deemed a mine of wealth; and already there are numerous companies in the United States more or less busy in arranging for, or already producing the prepared fuel. So far has the business been carried in the neighboring Republic, that peat literature is an established fact; consisting not of pamphlets merely, but including a weekly newspaper solely devoted to expounding and expanding the theory of the new calorific agent.

It will be seen from the following computation how productive a peat bog may be: A cubic foot of crude peat taken from a well-drained bog

weighs from 50 to 55 lbs.; condensing and drying reduces it to about one-fourth of that weight. An acre is estimated to yield wet or dry condensed peat as follows:

2	feet deep,	1,000	to	1,200	tons of wet;—	250	to 300	tons of dry.
3	"	3,300	to	3,600	"	825	to 900	"
6	"	6,600	to	7,200	"	1,650	to 1,800	"
10	"	11,000	to	12,000	"	2,750	to 3,000	"
20	"	22,000	to	24,000	"	5,500	to 6,000	"

In this estimate 40 cubic feet of wet peat are allowed to a ton, while a ton of dry fuel requires for its production 160 cubic feet.

It is claimed for peat fuel that the purposes to which it can be economically applied are as varied as those of wood or coal. For domestic purposes it is superior to coal; except that it needs to be replenished oftener than coal, and less frequently than wood. It burns in open grates like cannel coal; and its advantage as a locomotive fuel is that it burns with great freedom, gives intense heat, and throws off no cinders.

In a work, entitled the "Industrial Resources of Ireland," published by Sir Robert Kane, in 1844, that gentleman showed that the precious Baltic iron, for which at that time £15 to £35 sterling per ton was readily paid, could be equalled by Irish iron, smelted by Irish turf, for £6 6s. per ton. It has been found by French engineers that the comparative cost of working pig iron with different fuels is as follows:

	£	*s.*	*d.*
1 ton, with wood charcoal, was	4	11	0
1 ton, with coal coke	2	16	0
1 ton, with raw coal	2	15	4
1 ton, with purified peat charcoal	2	4	10
1 ton, with crude peat (condensed)	1	10	0

Peat fuel is used at the Harwich Iron Works (England), and it is said to be probably the best at present made in any considerable quantity, being condensed by machinery, and dried or charred in a kiln. Fuel so prepared was tested against coal at these works, and the results of experiments during two days were these: "Coal got up steam to 10 lbs. pressure in two hours twenty-five minutes, and to 25 lbs. pressure in three hours; peat fuel got up steam to 10 lbs. in one hour ten minutes, and to 25 lbs. in one hour thirty-two minutes. Twenty-one cwt. of coal maintained steam at 30 lbs. pressure for 9¾ hours, while 11¼ cwt. of peat fuel maintained steam at the same pressure for 8 hours."

Many successful experiments have been made in the United States, which must be passed over with this mere allusion. The machinery in use in that country for its production is of two kinds—one designated the wet working, and the other dry working; mills on the former principle cannot be worked in the Northern States or Canada during the winter months, while the latter might be kept in operation throughout the year. Canada has a deep interest in the peat question; for, while geologists are unanimous that common fossil coal is not to be found in the Province, there are extensive beds of peat, from which supplies may be drawn to supplement the wood fuel which is being so rapidly consumed. Practical men have not been inattentive to the movements going on elsewhere. Perhaps less enthusiastic and enterprising, they are fully as patient and

persevering as their more demonstrative neighbors. After a year or two of patient, careful experiment, James Hodges, Esq., of Montreal, has perfected machinery for the manufacture of peat fuel, which is different in principle and operation from the peat mills of the United States, or rather combining the wet and dry methods. Mr. Hodges has had his fuel tested, and the results were most satisfactory. He says:

"Chemical analysis shows that peat, weight for weight, contains only three-fifths of the heating properties of coal, and it is therefore the opinion of many that it is little more than half as valuable for raising steam. Now this is all very well in the closet, but as practice shows that even with the best constructed furnace, thirteen per cent. only of the heat-giving properties of coal are utilized, there is still a pretty good margin for peat, and a possibility that by being able to economize a greater per centage of the heat-giving properties it contains, to make it do double the work of coal."

A ton of Peat-fuel occupies a space of about 70 cubic feet. A cord of wood weighs 4,000 lbs., and occupies a space of 128 cubic feet. An experiment was made at the Montreal Puddling and Rolling Mills, the result of which was stated by the Manager as follows:—

"The peat fuel was tested in an ordinary puddling coal furnace, and no alteration or adaptation was made, although this might have been done, and a large saving of fuel effected.

"The pig iron used was Dalmellington brand A, a strong iron soft and very tough.

"The quantity of peat fuel consumed was nearly double the weight of coal used on ordinary occasions.

"In my opinion, and with the present furnaces, by mixing peat with Pictou coal, we could produce iron equal to the best charcoal iron, and at no more expense than the present cost of our iron, the quality of which is equal to the best refined English iron.

"With the furnaces as at present constructed we could not use peat alone. The combustion of the gas given out not being sufficiently perfect to produce the heat required for puddling to advantage, resulting in waste of fuel, and additional labor to the men.

"If we could get the extra price for the quality of iron turned out, there would be no doubt about the result; but, I fear this could not be obtained, as almost any description of iron seems to suit this market, so long as it can be sold cheap.

"I send you samples of the iron made at the trial, which I consider equal in quality to best charcoal iron, and superior almost to any description of iron imported."

A number of experiments made with locomotives on the Grand Trunk Railway have demonstrated the superiority and economy of the new Peat-fuel over wood; and the proprietor of the Caledonia Iron Works, in this city, states that for giving toughness to the metal used for car-wheels, and for uniformity of chill, the Peat-fuel is unsurpassed.

The following is a statement of work performed by Engine No. 158, burning peat fuel with a mixed train of 18 cars, from Montreal to Prescott Junction 112 miles. Prescott Junction being 260 feet higher than Montreal:—

The train consisted of	16 freight cars
	1 passenger car
	1 van
Total	18 cars.

Weight of freight	320,000 lbs.
Do. of cars	345,000 "
Total weight of train, cars and freight	665,000 lbs.
Distance run	112 miles.
Lost time made in running between Vaudreuil and Matilda, 75 miles	110 minutes.
Total weight of peat fuel consumed, 3½ tons	7,450 lbs.
Value of fuel at $3½ per ton	$11.65
Fuel consumed per mile run	66½ lbs.
Cost of fuel	10 cents.
Number of car miles run	2,016 miles.
Fuel consumed per car mile run	369 lbs.

Cost of drawing a car containing over 10 tons of freight, a distance of one mile, a little over half a cent.

The engine was in the same condition as when used for burning wood, with the exception of the blast nozzels, which were *enlarged from 2⅝ inches to 2¾ inches diameter, or 34 per cent.*

PETROLEUM AS FUEL.

Experiments have been going on in Great Britain and the United States to test the applicability of Petroleum as fuel, in conjunction with superheated steam—the trials so far having been made on stationary and locomotive boilers. Some experiments were recently made in Canada, and will no doubt be repeated, when certain chemical experiments with the crude oil are completed. The success which has attended the attempts on both sides of the Atlantic, seems to warrant those who have been engaged in the investigations in claiming that the use of Petroleum as fuel for locomotives may yet result in great saving to Railway Companies; while the effect of its introduction into war and merchant steamships may be of such a nature as to admit of the vessel continuing three times longer under steam than if coal were used.

The obstacle to the "*Great Eastern's*" making a voyage to Australia or India, was at first purposed, was the necessity involved of carrying 10,000 tons of coal; with Petroleum for fuel that ship might carry thrice more than if coal were used. It is possible, therefore, that the great steamship may yet go to India or to Australia, and realize the idea of her projector. The Cunard steamship "*Persia*" is 3,500 tons burthen—1,400 tons being occupied by coal for the transatlantic voyage; such being the case, it requires little reflection to comprehend of how much value the successful use of petroleum fuel would be in ocean navigation. The direct and indirect saving would be immense. The introduction of Peat and Petroleum to supply the want of coal, and to reduce, if not to entirely stop, the consumption of wood, would be an incalculable boom to Canada; while it would bring into requisition the vast and increasing quantities of Petroleum, for which there is at present no adequate outlet. The quantity of Canadian Crude Petroleum likely to be available in 1867 has been estimated as follows:—

Stocks on 31st December, 1866	43,000 brls.
Yield at Petrolia (omitting small wells)	275.000 "
" at Bothwell and Oil Springs	10,000 "
	328,000 brls.
Estimated home consumption	143,474 "
Surplus	184,526 brls.

DEBT AND FINANCES OF MARYLAND AND CINCINNATI.

MARYLAND.

The funded debt of the State of Maryland as it existed on the 30th September, 1866, amounted in gross to $13,549,796 53; but deducting amounts cancelled and the amounts on which the Baltimore & Ohio Railroad Company are liable and pay current interest, the actual debt appears to be only $7,514,413 43 as shown in the following table:

Purposes for which issued.	Date of act authorizing.	Rate of int'st.	Principal when due.	Amount outstanding.	
Baltimore & Ohio RR	Ch. 104 of '27	5%	'45 or '80	$24,000 50	
" " (sterling)	" 386 of '38	5	1890	2,328,888 89	$3,301,389 39
" " (conv'rt.)	" 41 of '47	5	1890	948,500 00	
Chesapeake & Ohio Canal	Ch. 241 of '34	6	1870	2,000,000 00	
" "	" 395 of '35	6	1885	30,000 00	
" " (sterling)	" 386 of '38	5	1890	1,955,555 56	
" " (conv'rt)	" 41 of '47	5	1890	1,314,060 00	6,705,122 77
" " (sterling)	" 396 of '38	5	1889	1,032,222 21	
" " (conv'rt)	" 41 of '47	5	1889	373,285 00	
Baltimore & Susque. RR	Ch. 241 of '34	6	1870	1,000,000 00	
" "	" 302 of '37	3	1890	315,000 00	
" "	" 395 of '38	5	1890	26,100 06	1,770,687 87
" "	" 20 of '39	6	1890	429,587 81	
Annap. & Elk. RR. (st'ng)	Ch. 386 of '38	5	1889	60,000 00	
" " (curr'cy)	" 12 of '89	6	1889	95,420 25	155,420 25
Susque. & T. W. C. (st'g.)	Ch. 416 of '38	5	1865	802,000 00	
" " (conv'rt)	" 41 of '47	5	1865	215,622 00	1,017,622 00
East. Shore RR. (sterling)	Ch. 386 of '38	5	1889	60,000 00	
" " (curr'cy)	" 323 of '39	5	1890	38,554 25	98,554 25
Bounties to Volunteers	Ch. 15 of '64	6	after 1874		501,000 00
Total amount on September 30, 1866					$13,549,796 53

From which deduct as follows:

Issues under Chap. 241 of 1834 to Chesapeake & Ohio Canal & Baltimore & Susquehanna R.R. amounts cancelled from sinking Fund	$1,121,107 00	
Also, issues under Chap. 386 & 396 of 1838 to Baltimore & Ohio Eastern Shore & Annapolis & Elkridge Railroad, and Chesapeake & Ohio Canal, converted into currency and cancelled under Chap. 283 of 1864	1,636,887 21	$2,757,994 21
		$10,791,802 32

Also amounts on which Baltimore & Ohio R.R. Company pay the interest, viz.:

Sterling Debt, interest payable in London	$2,328,888 89	
Converted Debt, interest payable in currency	948,500 00	3,277,388 89
Amount of Debt for which interest is provided by State		$7,514,413 43

The sterling bonds issued under Chap. 416 of 1838, of which $802,000 are outstanding, were made redeemable at the pleasure of the State *after* Jan. 1, 1865. These bonds are payable in London, and in view of the present high rate of exchange, the comptroller recommends the cancellation of the existing issues and their replacement by a new series of bonds.

Against the above debt the State holds productive and unproductive property to the estimated value of $25,049,739 85, accounted for as follows

Bank stock		$91,160 00
Railroad stock (Balt. & Ohio $500,000, and Washington Branch $550,000)		1,050,000 00
Turnpike stock		15,000 00
Baltimore & Ohio R.R. stock, interest payable in London	$2,372,222 22	
do do do converted	901,450 00	3,273,672 22
Bonds of Susq. & Tidewater Canal companies	1,000,000 00	
Stock of Chesa. & Delaware Canal Co	50,000 00	1,050,000 00
Dividend bond of Balt. & Ohio R.R. Co	10,000 00	
Bond of Baltimore & Ohio R.R. Co	260,000 00	270,000 00
Due from incorporated institutions, collectors, sheriffs, inspectors, registers, auctioners, &c		1,182,264 96
Total productive property		$6,932,097 18

Bonds of Ches. & Ohio Canal Co	$2,000,000 00
Loan to Potomac Co. $30,000, and interest to 1825	43,280 00
Stocks, viz.: Potomac Co $120,444 44; Ches & Ohio Canal $5,000,000; Annap. & Elk RR. $299,378 41; Md. & Del. R.R. (ch 303 of 1860) $125,245; Eastern Shore R.R. (do.) $112,700; Phil. & Balt. Central R.R (do) $35,000; Nanticoke Bridge Co. $4,333.33; Chesa. Steam Towing Co. $25,000	5,722,101 18
Bonds installed and not installed, exclusive of interest	10,000 00
Due from Chesa. & Ohio Canal Co., for interest	10,317,084 13
do Penitentiary for premium and interest	5,097 36
Stock in Elkton Bank	10,000 00
Dividend Bond No. 58 Balt. & Ohio R.R.	80 00
Total not now productive	$18,617,642 67
Total productive and unproductive	$25,049,739 85

Probably about a third of this property now unproductive owned by the State will ultimately become productive. But even as the matter stands at the present time the productive property is nearly equal to the whole net debt. The sinking fund at the close of the fiscal year 1866 amounted to $238,761 71, of which $61,582 99 were received in that year. The aggregate valuation of real and personal property in 1866 was $286,530,838 34, on which the following taxes were levied for the service of the year:

Amount of levy for direct tax @ 5 cents per $100	$143,265 42
do do do bounty tax @ 10 do do	286,530 84
do do do school do 15 do do	429,796 26
Total amount of levy for all purposes	$859,562 52

A new assessment law (chap. 157, of 1866) went into operation in 1866 under which largely increased values are expected to be realized, on which the levy for 1867 will be laid. Under this law assessors will make their returns to County Commissioners and Boards of Control and Review, whose duty it will be to equalize the rates etc.

The revenue of the State is derived from general and specific taxes and licenses, and dividends and interest on investments. The total collections (including $840,695 91 from sales of stocks owned by the State, and smaller sums from other sources) for the year ending September 30, 1866,

amounted to	$3,325,507 94
Balance in the Treasury, October 1, 1865	432,926 00
Total means for the year 1865-1866	$3,758,433 94
Total disbursements	3,390,617 58
Balance in the Treasury, September 30, 1866	$367,816 36

The principal items of income and expenditure were as shown in the following statement:

RECEIPTS.		DISBURSEMENTS.	
General tax on property	$740,194 26	Civil officers, salaries	$23,764 72
" " corporations	60,065 43	Legislature	70,104 07
" " on stocks	50,708 04	Judiciary	60,343 41
	$850,967 73	Militia	8,746 61
Special taxes & duties	83,034 68	Asylums and hospitals	46,475 00
Licences	462,138 23	Penitentiary & house of refuge	33,000 00
Charter tax of one-fifth passenger receipts on Washington Br. RR	459,368 50	Home of Friendless	11,000 00
Dividends & interest	509,407 49	Colleges, academies &c	44,750 00
Sales of stocks & bonds	840,695 91	School tax to counties	372,914 73
Loans	44,400 00	U. S. surplus revenue—annual grant to school fund	34,089 36
Sundries	75,495 42	Agricultural college	21,000 00
	$3,325,507 94	Public works, subscrip's. to	167,852 75
Balance Oct. 1, 1865	432,926 00	Public debt, repayments	33,241 97
		" interest, &c	707,042 94
		Temporary loans repaid	895,033 64
		Bounties	727,196 91
		Antietam National Cemt'y	10,000 00
		Sundries	124,071 54
		Balance Sep. 30, 1866	367,816 36
Total means	$3,758,433 94	Total disbursements	$3,758,433 94

The ordinary revenue for 1866–67 is estimated at $2,010,000, and the ordinary expenditures at only $2,007,600. The expenditures last year included unusual appropriations and extraordinary demands. The principal items are as follows:

For tax paid General Government	$371,300
Exchange for paying interest on sterling bonds (excess over previous rates	550,000
Bounties to volunteers, including appropriations for their relief	3,850,000
State's subscriptions to railroads	213,000
Total	$4,985,000

CINCINNATI.

The public debt of Cincinnati, as stated by the City Auditor in his report for the fiscal year 1865–66, amounted to $3,203,000. Of this amount $1,805,000 is guaranteed the interest by certain beneficiaries (railroad and canal companies and the water works) leaving the actual debt to be provided for from taxation $1,398,000. The following list describes the several issues:

Purposes for which issued.	Principal—Issued.	Principal—Payable.	Interest—Rate.	Interest—Payable.	Amount outstn'g
Funding city debts*	Apr. 1, '45	Oct. 1, '71	5	Apr. & Oct.	$100,000
" " †	, '35	Nov. 1, '85	5	May & Nov.	80,000
Little Miami R. R ‡§	May 1, '44	Dec. 31, '85	6	June & Dec.	100,000
Whitewater canal ‡§	*Var.*, '47–48	May 1, '97	6	May & Nov.	30,000
Funding floating debts‡	*Var.*, '47–48	May 1, '97	6	May & Nov.	149,000
Hillsboro & Cin. R. R. †§	*Var.*, '50–51	Aug. 1, '80	6	Feb. & Aug.	98,000
Eaton & Hamilton RR. †§	*Var.*, '50–51	Jan. 1, '81	6	Jan. & July.	150,000
Covington & Lex. RR. †§	Oct. 1, '51	Jan. 1, '81	6	Jan. & July.	100,000
City Hall lot†	Apr. 1, '50	May 1, '70	6	May & Nov.	60,000
Ohio & Mississippi RR. †§	*Var.*, '51–52	Jan. 1, '82	6	Jan. & July	600,000
Funding floating debt†	*Var.*, '53–54	Jan. 1, 1900	6	Jan. & July	83,000
Marietta & Cincin. RR. †§	June 1, '54	June 1, '84	6	June & Dec.	122,000
Wharf property†	*Var.*, '55–56	Nov. 1, '85	6	May & Mar.	230,000
" " †	*Var.*, '55–56	Nov. 1, '90	6	May & Nov.	229,000
Park* (in $1,000)	Mar. 17, '58	Mar. 17, '88	6	Mar. & Sep.	40,000
" * (one bond)	Mar. 17, '58	Mar. 17, 1908	6	Mar. & Sep.	100,000
Episcopal burying ground*	Nov. 1, '60	Nov. 1, '90	6	May & Nov.	34,000
Bounty†		July 27, '76	6	Jan. & July	100,000
" †		July 21, '72	6	Jan. & July	50,000
" †		May 1, '85	6	May & Nov.	8,000
Water works †§	*Var.*, '47	Apr. 15, '95	6	Apr. & Oct.	200,000
" †§	Apr. 15, '49	Apr. 15, '95	6	Apr. & Oct.	100,000
" †§	Apr. 15, '50	Apr. 15, '95	6	Apr. & Oct.	100,000
" †§	July 1, '51	Oct. 15, '90	6	Apr. & Oct.	100,000
" †§	June 15, '53	June 15, '90	6	June & Dec.	75,000
Schools†	Nov. 1, '35	Nov. 1, '85	5	May & Nov.	39,000
" †	Aug. 20, '45	May 1, '85	6	May & Nov.	25,000
" lots and houses†	*Var.*, '61–64	Jan. 1, '90	6	Jan. & July	96,000

Against this indebtedness the city holds assets and property as follows:

Bonds of railroad companies		$1,050,000
Interest paid by city and refundable by railroad companies		706,500
United States Government for money advanced		18,437
Ohio and Mississippi Railroad Company, rent of wharf property		150,000
School property sold		3,000
		$1,927,937
Market houses and public landings	$2,500,000	
School property	910,854	
Fire department property	598,205	
City property (miscellaneous)	1,724,603	
City water works	2,509,000	8,242,662
Total assets and property		$10,170,599

Marked (*) are payable in Cincinnati; (†) in New York, and (‡) in Philadelphia; and (§) interest guaranteed.

The population and assessed valuation of property in the city, and the rate and amount of taxes, has been quinquennially as follows:

	Population of city.	Assessed valuation. Real estate.	Personal.	Total.	Taxation. Rate.	Amount.
1830	28,831	$3,157,675	$1,048,529	$4,206,204	1.20	$51,433
1835	31,000	4,814,080	1,394,542	6,208,572	1.90	107,445
1840	46,382	4,731,390	1,440,108	6,171,498	2.45	151,202
1845	74,699	6,157,890	2,015,830	8,173,720	3.00	245,211
1850	115,433	34,191,430	8,668,298	42,862,728	1.70	728,666
1855	140,000	60,335,932	24,994,948	85,330,880	1.48	1,262,897
1860	161,044	61,428,917	30,532,458	91,961,375	1.74½	1,666,231
1865	200,000	67,610,611	63,135,382	130,745,993	2 29	3,050,000

—which levy includes the State and county taxes, and the taxes levied for war purposes.

The tax levy of 1866 for the service of 1866-67 is estimated as follows:

Schools	*mills* .225	Work House	*mills* .050	Com. Hospital	*mills* .050
Superior Court	" .015	Light Fund	" .070	Fuel Fund	" .100
Interest	" .140	Street clean'g, &c	" .100	Gen. purp. Police & Fire Dep's & Inf.	.700
Sewerage	" .050	House of Refuge	" 040		
Aggregate on all city accounts					1.540

The following table exhibits the sources and amount of receipts and the amounts expended on city accounts, the amount of debt outstanding, and the receipts and expenses on account of schools at quinquennial periods:

	City Account. Receipts— Taxes.	Total.	Total Expend'e.	Amount of City Debt.	Com Schools— Receipts.	Expen's
1830	$23,337	$78,645	$73,146	$97,100	$14,733	$9,183
1835	18,865	89,432	78,737	148,658	12,095	13,069
1840	46,445	73,713	69,325	725,000	24,956	22,004
1845	88,263	139,886	153,081	1,280,189	32,550	29,436
1850	222,464	428,795	448,951	1,750,000	67,946	50,539
1855	716,946	902,867	589,468	3,181,000	209,225	167,538
1860	998,621	1,166,887	764,559	3,752,000	232,134	191,714
1865	988,306	1,371,221	1,221,954	3,840,000	344,687	273,865
1866	1,210,322	1,776,416	1,922,368	3,203,000	465,376	383,470

OUR FOREIGN COMMERCE—BALANCE OF TRADE.

The Bureau of Statistics, having its machinery now in working order, is furnishing commercial statistics so promptly as to be of real value to the trade of the country. Heretofore, we have had no official account of our foreign trade until eight or nine months after the completion of the fiscal year; under the present arrangement a monthly return of the commerce of the United States is published four our five weeks after the completion of the month. These statistics are of important practical value, in ascertaining the course of foreign exchanges and the comparative traffic in the several classes of products.

It has been very generally supposed, from the extent of our imports during late months, that we have accumulated a large adverse foreign balance, which would call for heavy shipments of the precious metals; the April report, however, shows that, so far as respects the first quarter of the year, this opinion is erroneous. The returns, which we presume are complete from all the ports, show an important excess of exports

over imports. We compile from the document the subjoined statement of the imports and exports (inclusive of specie and bullion), for each month of the first quarter, reducing the total exports entered in currency value to gold, on the basis of 136, which was about the average price of gold for the three months:

IMPORTS, GOLD VALUES.

In January	$27,931,899
February	35,740,444
March	31,082,119
Total imports	$94,754,462

EXPORTS.

In gold values—			
January	$5,335,013		
February	5,240,345		
March	3,950,322		
Total		$14,525,590	
In currency values—			
January	$39,999,449		
February	41,509,083		
March	43,834,106		
Total	$125,342,638		
Equivalent in gold at 136		$92,163,704	
Total gold value of exports			$106,689,294
Excess of exports			$11,934,832

It will be seen from this summary that while the imports for the three months have reached the large total of $94,754,462, the exports, reduced to gold value, have exceeded the importations by nearly $12,000,000. These figures take no account of the movement of stocks and bonds, which is now more than ever an element of importance in the adjustment of our foreign balances. Upon this unrecorded movement it is impossible to present any approximate estimate. There can, however, be no hazard in assuming that, during the quarter, we exported a larger amount of securities than we imported. During the last quarter of 1866, the high prices of stocks caused by speculation induced the return of a considerable amount of railroad stocks from London; but the fall in prices during the early weeks of this year, together with the cheapness of money at London, caused a brisk return movement; and it is a fact generally acknowledged among our foreign bankers that while comparatively no Five-twenties have been sent home this year, an important amount has been sent to London, Frankfort and Paris. Really, therefore, the balance in our favor, for this period, must exceed the twelve millions accruing on the purely commercial account above presented.

It is not to be overlooked that a large portion of the exports were consigned products, which may or may not have realized the value at which they were invoiced. Included in the exports is 288,000,000 pounds of cotton, valued at $90,430,000. As this averages only 31¼ cents per pound, including Sea Island, it may be assumed that this large portion of the exports has realized the value at which it was entered.

On the other hand, it must be considered that in the imports there is also a certain amount of consigned goods, a very small percentage of which is likely to have realized near the invoiced value under the extreme depression of the spring trade; so that our indebtedness is probably below the amount at which the imports were entered.

Those who have judged of the volume of our exports fromthe movement at the Northern ports have been misled in their estimate as to our surplus products. While the shipments from this port have been unusually light, those from the Gulf ports have more than compensated for our deficiency. Within three months we have exported from all the ports products worth in gold value $106,689,294, which is at the rate of over $425,000,000 per annum, a total which has never before been equaled. The unusually large amount of our exports, however, is due rather to the prevailing high prices than to an increase in the quantity of commodities, and is therefore a matter for but qualified gratulation. At the prices current in 1860, the quantity of cotton shipped within the first quarter of this year would have been worth only $31,250,000, or equal to $43,500,000 in our current currency values; while our shipments of breadstuffs and provisions would have realised, at the prices then ruling, but little more than half their late value.

The large extent to which we have paid for our purchases of foreign products by Southern produce is deserving of attention. For the purpose of showing what proportion of the quarter's exports consists of Northern products and what Southern, we present the following classification:

NORTHERN PRODUCTS.

Breadstuffs	$6,131,334	
Provisions	6,817,104	
Other products	18,690,519	
Total Northern products		$31,638,957

SOUTHERN PRODUCTS.

Cotton	$90,529,931	
Tobacco and manufactures of do	2,487,845	
Rosin and Turpentine	394,195	
Spirits Turpentine	201,962	
Sugar and Molasses	89,748	
Total Southern products		$93,703,681
Total domestic exports		$125,342,638
Proportion of Northern products		25 per cent.
" Southern "		75 per cent.

It is thus apparent that while we have exported only $31,638,957 of Northern products during the quarter, the shipments of Southern amount to $93,703,681, or about three times the amount of the former. It is of course usual, during the first quarter of the year, when the cotton crop is going forward rapidly, and the suspension of interior navigation curtails the shipments of breadstuffs, for the Southern exports to gain upon the Northern; but never has the disproportion been so great as is here shown. Before the war, the South generally contributed about three-fifths of the foreign exports; but, during the past quarter, it has

forwarded three-fourths. The following comparison shows the amount of Northern and Southern products exported in the year 1860:

NORTHERN PRODUCTS.

Breadstuffs and Provisions	$45,271,850	
Other products	113,462,186	
Total Northern products		$158,734,036

SOUTHERN PRODUCTS.

Cotton	$191,806,555	
Tobacco and m'frs. of do	15,906,547	
Sugar and Molasses	440,210	
Rosin and Turpentine	1,818,238	
Spirits Turpentine	1,916,289	
Rice	2.567,399	
Total Southern products		$214,455,238
Total domestic exports		$373,189,274
Proportion of Northern products		42½ per cent.
" Southern "		57½ per cent.

The foregoing figures show that notwithstanding our pur chases of foreign goods have been confessedly large, yet we have been far less deficient in the means of payment than is popularly supposed. The quantity of our surplus has as stated above been less than in former years, yet high prices have compensated for the diminished supply. During the nine months ending Marc 31st, we shipped cotton valued at $143,000,000, which is 12 millions more than the value of the entire cotton export of 1858. These facts may furnish an antidote to the croakings of the alarmists who are making themselves unhappy over our "excessive importations." The payments of about nine millions of coupons upon Five-twenties held in Europe and the maturing of importers' acceptances upon their spring purchases, occuring cotemporaneously, have produced just now a demand for specie for the settlement of foreign balances; but there are no reasons for supposing that this movement will be of extraordinary dimensions, or that the year's shipments of gold will exceed the average of former periods.

ON THE COLLECTION OF REVENUE.*

BY EDWARD ATKINSON.

In the following essay, I propose to discuss the methods by which the Government of the United States may collect a revenue sufficient for its wants with the least injury to the productive power of the people. The advocates of an excessively high tariff were in a majority in the recent session of Congress, and would have carried their measures, had it no

* An essay read before the Economic Section of the American Social Science Association, of Boston.

been for the persistent opposition of the minority. I am, however, well satisfied that a considerable portion of the majority voted as they did in deference to the supposed wishes of their constituents, and not because they approved the proposed law, as it was reported by the Committee of Ways and Means. It is quite evident that the whole controversy must be re-opened at the next session of Congress, and it therefore becomes the duty of the press to endeavor to enlighten public opinion by clear statements of the fundamental principles upon which the laws for the collection of revenue should be based.

I know not how clearly the controversy may have been conducted in former times, when protection and free trade were prominent in the political contests. In those days I was an ardent advocate of protection, having been educated in that school, and never having been led to doubt its wisdom. But I had begun to doubt, when the disturbing element of the war came in, and by common consent the Morrill tariff was enacted. Whether this was the best method of meeting the wants of the day or not, need not now be considered. Suffice it to say, that the country accepted a high tariff without argument, and as a war measure. It may fairly be said, that the men who are under forty years of age have never had their attention called to the fundamental principles which must, in the nature of things, underlie the respective theories of protection and free trade, by any real discussion of such principles in the newspapers. Few men begin to have any ideas upon the subject, that are drawn from their own experience, until they are at least thirty; and, during the past ten years, it has been treated mainly as if all men had real knowledge upon it, when, in fact, there is no subject so important about which men know so little.

The arguments of the *Tribune*, and other papers upon the side of protection, are addressed to those who are already convinced, and seem to the uninstructed mind to be founded upon the idea that a tariff is something good in itself, a measure which it would be wise for a community to adopt, even if they had no need of revenue. On the other hand the arguments of the *Evening Post* and other free-trade papers are seldom addressed to those who need elementary instruction, bnt generally to men who are supposed to have well-grounded ideas upon the subject.

The truth is that our country has such boundless resources, as yet but partially developed, as to have made it easy for any one possessed with ordinary intelligence and industry to get a good living under any system of revenue laws; and mistakes in such laws, injuring but few seriously, have not compelled the attention of the whole people to the methods requisite for their correction. A little irritation, rather than any real check to prosperity, has caused the enactment, first, of a free trade, and then of a protective policy, causing fluctuations and temporary embarrassment, but never forcing the great mass of the people to give close attention to the matter. Under the pressure of our present debt and the existing system of taxation, it is to be feared that the time has come when the people will be forced to learn wisdom by the hard teachings of adversity.

In the collection of revenue, the Government simply takes a portion of the annual product of the country for its own use, that is to say, secures to itself a portion of the result of each man's labor or effort. The method adopted is to impose a tax either under the name of "internal revenue" or of "tariff" upon the commodities consumed by the people. Hence

arises the axiom, that "the consumer pays all taxes," an axiom very likely to mislead, unless qualified by the statement that consumption depends upon production. If each person worked for himself alone, his own raising food, making his own clothing, and never exchanging the result of his labor or effort for that of another, he could only be reached by the tax-gatherer by being required to give up a portion of his product. It is production alone which yields revenue either to the Government, or to the capital by which production is aided and rendered greater; and it is by the increase of production only that we can bear the burden which the consumption or destruction of the war has imposed upon us.

To allege that the consumer pays all taxes leads to an utter absurdity, unless qualified by the statement, that the consumption of one commodity, not produced by the consumer, is only rendered possible by such consumer producing or aiding in the production of some other commodity which he can give in exchange for it; and it matters not to him whether his proportion of the taxes is levied upon the article which he consumes, let us say upon his tea, or upon the article which he produces, say upon his wheat. In either case, he simply gives to the Government a certain portion of the result of his labor—he either pays a higher price for his tea or he has less money from his wheat wherewith to purchase tea; but, if he had not produced at all, or had not by the use of his capital aided or caused some one else to produce, he would have had neither tea nor wheat, and could therefore have paid no tax.

The problem therefore is so to levy the taxes as not to impede production. It will be maintained hereafter, that capital can only be taxed through its income, without causing great disaster, and that the income of capital is a certain share of the product of labor; and therefore, in one sense, the income itself is a tax levied upon labor by capital. If this proposition can be maintained, then the tax levied by Governments upon the income of capital is ultimately a tax upon production, or the result of labor.

In this connection it becomes interesting to know who are the capitalists and who are the laborers, though I do not mean here to intimate that there is any natural antagonism between the two. On the contrary, there is no finer example of the real harmony of interest in the universe than the law so well enounced by Bastiat: "In proportion to the increase of capital, the absolute share of the total product falling to the capitalist is augmented, and his relative share is diminished; while, on the contrary, the laborer's share is increased both absolutely and relatively."

If there is any natural antagonism between capital and labor, then a man must often be his own antagonist; for many men, I may say most men, are both laborers and capitalists. The common laborer who owns his tools is to that extent a capitalist as much as the mill-owner running 20,000 spindles. He who works the spade with his hands is no more a laborer than he who directs the spindles with his head. Each is working for the general good, although his own aim may be selfish; for one is adding to the abundance of the food which we eat, and the other of the clothes we wear.

It is only when the Government interferes with natural laws, and, discarding the only legitimate object to be considered in the imposition of taxes, undertakes, under the name of revenue laws, to give a bounty to

certain interests, that antagonism between labor and capital begins, and this antagonism is more properly between a class and the mass of the people than between labor and capital.

I have said it becomes interesting to know who are the laborers and who are the capitalists in the common use of those terms, and we may approximate to this by considering the number of persons in the United States who pay a tax upon an income of over six hundred dollars per annum, upon which point I have obtained the following statement from Washington.

TREASURY DEPARTMENT, OFFICE OF INTERNAL REVENUE,
WASHINGTON, February 7, 1867.

SIR.—In reply to your letter of the 31st ult., requesting a statement of the "total number of persons paying an income tax, and the amount of income represented," I have to say that the total collections returned on income for the first six months of the current fiscal year amount, at present, to $47,413,075 99. Full returns from a few districts, for those months, have not yet been received. Of this amount the sum of $20,678,035 10 was returned on income over $600, and not over $5,000 per annum. $24,972,677 83 on income over $5,000, on excess over $5,000, and $1,762,363 0[illegible] on income from dividends, and addition to surplus funds of Banks, Railroad Companies, etc.

The amount of income represented by the above tax is $698,534,741. Te total number of persons assessed for income on the annual list for 1866 as returned by the Assessors of 221 Collection Districts is 458,157. A few unimportant districts are yet to be heard from.

The receipts from income for the current fiscal year will probably not exceed $50,600,000; and full returns from all Collection Districts will, doubtless, show that it was paid by not more than 465,000 persons.

Very respectfully,
THOMAS HARLAND, Deputy Commissioner.

MR. EDWARD ATKINSON, Boston, Mass.

It thus appears that, out of thirty-six million people, less than half a million have a surplus above six hundred dollars a year. It follows that the great majority spend all they earn; and if their cost of living is raised by heavy taxes, their wages or earnings must be raised also. It would then appear certain that any artificial stimulus given to any one branch of industry, by means of a bounty granted under the name of protection, would soon cease to be a benefit even to the protected interest —such bounty ultimately resulting in a rise in wages equal to the bounty imposed.

I shall here be met by the question, Is not a rise in the wages of labor a benefit to the laborer? And I answer, Certainly not, if such rise is in consequence of the increased cost of living, and not the result of increased ability to produce on the part of the laborer. This question would not be asked if the function of money, in which wages are paid, was more clearly understood. If money is the end for which we labor, then any policy which will cause the rate of wages to be high is to be advocated as the best; but if money is simply an instrument by which we measure the result of one man's labor, when we compare it with the result of the labor of another, or a commodity in which we store up in a convenient form a portion of the result of our efforts, in order that we may at some future time command the equivalent service or labor of another, then it is not the amount of money or wages, but the service which those wages, or that money, will command, which is the end for which we work; and we

may readily find that low wages are better for the laborer than high wages—that they may yield him more immediate comfort, and a larger surplus to take the form of capital.

Upon one of the largest railroads in this country, the principle has been established, that the wages of common laborers must be equal to the cost of one barrel of flour per week; or, in other words, the directors have discovered, that flour is a better standard by which to measure the value o the time of a common laborer than paper money, and that the various commodities which a common laborer must have, are gauged by their relation to the value of one barrel of flour per week. Or, to state the proposition in another form, that if each laborer were engaged in the production of flour, at the rate of one barrel per week, he would, in exchange for the flour, be able to procure the exact amount of shelter, clothing, and other articles of food which he needs, and which are sufficient to induce him to labor.

Now what matters it to that laborer whether the value of a barrel of flour be expressed at eighteen dollars in paper, or thirteen dollars in specie, either of which sums would represent a high rate of wages, if the barrel of flour, or the eighteen dollars, or the thirteen dollars will only procure for him a bare shelter and subsistence?

Flour has lately been eighteen dollars per barrel, and the rate of wages on that railroad eighteen dollars per week. Let us suppose flour reduced to eight dollars per barrel, and all other commodities reduced in the same proportion, but that the wages of the laborer on that railroad are ten dollars per week; can he not then save two dollars per week at the low rate, where he could save nothing at the high rate? Has not the lower rate a higher value to him?

I believe this is precisely the difference existing between the position of the skilled artisan of England and that of the skilled artisan in this country at the present time. In England the rate of wages is nominally much lower, but a suit of strong fustian clothing can be purchased for one pound or five dollars. Beer costs three half-pence a glass, or three cents. Meat is not higher than in this country, and house rent is less; and, notwithstanding our great natural advantages, skilled laborers are said to be rapidly returning to their homes in Europe.

What we want is an abundance of the things which money will buy, not abundance of what is called money.

Is the dry goods dealer rich, when he has no cloth upon his shelves, even though he have a hundred yard-sticks?

Is the grain dealer rich, when his lofts are empty, even though he have a hundred bushel-baskets?

Is the grocer rich, when he has no sugar or salt, but only a counter covered with pound weights?

Is the shipwrecked mariner rich, if flung upon a barren rock with a bag of gold, but no food or water?

Are the United States rich, when they are ceasing to produce as many yards of cloth, as many bushels of grain, as many commodities as they formerly did, in proportion to their population, because they have 900,000,000 paper dollars wherewith to measure the value of the decreasing cloth and grain and commodities?

To return from this digression. It has been proved that there are not

more than 465,000 people who pay an income tax; let us admit that 135,000 avoid payment who are liable, and we have 600,000 heads of families; multiply by 5 and we have 3,000,000 people out of 36,000,000, who have a surplus, or who may be called capitalists in the ordinary use of the word. It would be interesting to know how many of the lobby-members, so called, who have been or may hereafter be in Washington to influence legislation upon the Tax and Tariff Bills, will represent the 3,000,000 who are capitalists, and how many the 33,000,000, who are not.

Yet the latter are the producers, to a far greater extent than the former, and therefore are the tax-payers to a far greater extent. Again I must state that I might imply no natural antagonism between laborer and capitalist; it is the law of God that all interests are harmonious; it is only our ignorance which produces antagonism. Neither do I impute to all the lobby-members purely selfish motives, or a desire to secure their own ends at the cost of the general interest. I only wish to point out, that there is a great preponderating mass of industrious laborers for whom no lobby-members will appear, who may not now be able to influence legislation, and who may now be unenlightened, but upon whose comfort and prosperity unjust laws may press heavily, and whose instinct, if not whose reason, will cause them to sweep from power the men who, even by mistake, shall oppress them with special laws, by which there shall be added to the oppression of the taxes a system of bounties to special interests yet more oppressive than the taxes themselves.

It has been said that no great abuses were ever reformed by the voluntary acts of legislators: all great reforms have been accomplished, either by the pressure of public opinion or by the revolutionary acts of the people; and most, if not all, of these reforms, have consisted simply in removing the impediments which law-makers have placed in the way of the natural development of the people. To establish justice is the function of law-makers, and only so far as they believe justice requires the enactment of laws giving a direction to labor which it would not otherwise have taken, can protective or bounty laws be defended.

I am satisfied that justice to the whole people never required such laws; but, since they have been enacted and have caused our industry to be directed from its natural channels, while justice requires the ultimate repeal of all such laws, it equally requires that such abrogation shall be reached by slow and cautious measures, and with fair warning to all who have been induced to employ or invest capital in consequence of their having been enacted. The capital of the community being the fund from which wages are paid, it is of equal, perhaps of greater importance to the laborer than to the capitalist, that capital should not be destroyed by sudden changes in the laws. Because we have not accumulated as much capital as we might have done, under a natural system, is no reason for destroying by sudden changes what we have accumulated.

We may be sure, that, on whatever platform the members of any Congress may have been elected, they will enact such laws as the opinions of their constituents shall demand. It is given to but few men to become leaders and to mould opinions: the average intelligence of the people dictates the policy of those who govern, or are said to govern; and upon the enlightenment of the people depends, with rare exceptions, the wisdom of the legislators. There is not in the present Congress a single man who

has proved his ability to lead public opinion in regard to the systems of protection and free trade by showing first that he could impress upon them an intelligent conviction of the truth of his premises. The Morrill Tariff, so called, and the subsequent acts, are purely empirical measures which will not bear the test of investigation upon any theory whatever.

Mr. Wells's bill was not claimed, even by himself, to be anything but a temporary device, well adapted to meet the abnormal condition of a paper currency—a condition which renders any permanent legislation for the collection of revenue practically impossible.

His report, on the contrary, contains an amount of information such as has not before been placed before the people, and statements of facts which are indispensable to sound legislation. His convictions are evidently changing somewhat, and I believe that a man of his ability, and with the opportunity which he has for observing the evils of legislation for special interests, cannot long avoid being a convert to the doctrine that free trade and not protection is the proper basis from which to enact a tariff law for the collection of revenue.

I do not mean to assert, that there are no men in Congress capable of leading and moulding opinion upon these matters, but the whole attention of those who are thus able has of necessity been given to questions which, up to this time, have been of more vital importance; and it is well that it is so, even if a temporary check be given to our material prosperity. Far better the rule of a Republican party, true to freedom but mistaken in its revenue policy, than of a sham Democratic party, false to freedom, but placed in power by means of correct views of the revenue question.

There are three fundamental premises which must be fully understood before any correct deductions can be reached upon the subject of collecting revenue.

First, That all taxes, either direct or indirect, are levied upon and collected from production—production being the result of labor; and that labor will be more or less effective according to the amount of capital by which it is aided or supplemented.

Second, That "tariff" is another name for "tax," and that a tax of any kind can only be more or less of a burden upon the people who pay it, and cannot in the nature of things be a benefit to them.

Third, That money is not an end, but only a means to an end, and that even gold and silver money is only useful up to a certain amount, which will define itself, if left to natural laws; from which it follows, that a country may be guilty of as great folly in the enactment of such laws as shall cause an accumulation of specie within its borders more than sufficient for its use, as the miser is guilty of when he hoards gold in a strong box.

Before we consider the first proposition, it may here be well to define what is meant by labor. Its technical meaning has come to be simply physical effort. I use it in the larger sense, in which is included any effort, either physical or mental, by which the gifts of God are moved into form for human consumption. Economic writers have sometimes made the statement that all that we do is to move things. We move the soil and we move the seed, but Nature *gives* the harvest. We move the wood and the stone, forming the dam, and we move the wheel into position; but Nature, or the God of Nature, *gives* the water and the law of gravitation.

And when we have moved things into what we call permanent form, they become capital—such as houses, or mills, or improvements upon land, or gold and silver money; but still, effort, movement or labor must be applied to keep the mills in motion, to work the land or the mines: capital renders labor more effective, causes it to yield a larger product, but can never take its place.

It seems but simple justice, that the capital of the country should bear the largest share of the taxes; but how can it be reached? An arbitrary division is impracticable, and a tax upon the income of capital is simply a share of the product of labor, which product the use of the capital has increased, not thereby displacing the labor. Labor, after all, gives the result; and a tax upon the income of capital is simply a tax upon the labor or effort which capital has caused to be put in motion, and thereby rendered more effective.

Is not the income or profit of capital a charge made by capital for the service which it renders in causing labor to be more productive? When capital took the form of a spinning jenny with eight spindles, and displaced the old spinning wheel of one spindle, it rendered service to labor by making it possible for labor in one hour to produce eight times as much as it did before. For the service of one hour of the spinning jenny of eight spindles, the laborer may pay to the owner the product of four spindles, and yet have four times as much left for his own use as he would have had by continuing to use the single spindle. The business being very profitable, the capitalist will continue to build spinning jennies until the demand is fully supplied; but, if you take a portion of his income by a tax, the rate at which he will build spinning jennies is retarded, and his share of the product is maintained much longer at a high point; so that ultimately the labor will have paid the tax in the form of a higher rate of profit upon capital than it could otherwise have commanded.

Capital is no use to the owner, when hoarded: it must be put into some form in which it can render a service to labor; and, as wealth or capital accumulates in a geometrical ratio, while population or labor only increases in an arithmetical ratio, the rate of interest or profit which capital can command must be continually less and less, if the whole matter is left to natural law. On the other hand, labor may continue to work wearily at the spinning-wheel of one spindle, until supplemented by capital in the form of a jenny, and will do so, unless some one, by an effort of invention or superior industry, provide such a machine.

It is a well understood rule, that the rate of interest or profit which capital can command of labor, for its annual use, is in the proportion which accumulated capital bears to the number of persons desiring its use; and their desire is in proportion to their intelligence and education. This law which regulates the profits of capital is fully proved by the high rates of interest always prevailing in new countries, and the low rates in old countries in which the accumulation and use of capital are both fostered, as in England.

Now since the avails of the taxes are mainly consumed, and not added to the aggregate of accumulated capital; and since the rent, interest or profit of capital is maintained, even by the imposition of an income tax, at a higher rate than it otherwise would be; and since by this retardation of the accumulation of capital, labor is not supplemented by as many or

as good tools it would otherwise be, it follows that taxation in any form, even that of an income tax, is mainly a burden upon labor, and not upon capital, which is the result of labor already expended.

The only manner in which accumulated capital could therefore be reached would be by an arbitrary division of such capital at a given time, in whatever form it existed, whether as money, mills, improved lands or railroads, etc.; but such arbitrary re-division of capital is impracticable upon any principle of equity, and to prevent even this being an injury to labor, even if it were practicable, it must be proved that the recipients would maintain it as accumulated capital, and not immediately consume it or what it would purchase.

I think it cannot be denied that all taxes are collected from the product or result of labor of each and every year, and are paid mainly by those who produce, and not by those who live upon the income of capital already accumulated; but I am very far from excluding from the class of laborers or producers the owners of capital who give their time and attention to the use of their capital; they are among the most effective laborers and the largest producers.

Neither do I intend to deny that capital can be reached by taxation, but only to define the usual effect of taxation. It is proved by the records of history that in all cases where the Government of a country has by taxation taken a portion of the capital of the people, the result has been disastrous. This will be evident to any one who fully appreciates the fact that the accumulated capital of the country is the fund from which all wages are paid, and when taxation has exhausted the income, and begins to impair the principal, of course nothing but injury can ensue to those who are employed and who receive wages.

Capital can be reached by an arbitrary but unequal assessment upon the principal, and the passage of the act by which paper money was made a legal tender, was of this nature. The effect of this act was to seize upon a portion of every debt due; it was a confiscation of a portion of the capital of every creditor; and should have been called "An act for the collection of a forced loan." As I have elsewhere said, it may have been necessary, but I think that although it was a tax upon capital, it has thrown a heavier burden upon labor than if it had not been adopted and the product of the country had been secured for war purposes in some other manner.

Again, the imposition of a tax upon incomes may not retard the accumulation of capital if it induces greater economy in the recipient of the income. If the capitalist, in consequence of the income tax, saves the amount by abstaining from luxurious expenditures, then the amount of the tax never falls upon labor; there is doubtless a certain amount of economy induced by our existing income tax. I have elsewhere stated that if fairly adjusted, an income tax is one of the most expedient methods for obtaining revenue, because it is very far removed from labor, and the retardation of the accumulation of capital is very slow and almost imperceptible.

It is absolutely necessary to discuss this branch of the question, although it may be urged that there is danger of arousing prejudice against capital. I do not share in any fear of this; our native population is too intelligent, and too well informed to cause any serious danger to be feared from such prejudice. If this were not so, our town-meeting, instead of being the

most economical organization for administrating municipal affairs and imposing taxes, would be the most lavish and wasteful. I suppose there are very few town-meetings held in this vicinity which might not be easily controlled by the residents of the towns who pay no property tax.

I have never seen any serious danger to property, even from the large foreign element in our population, so long as that foreign element acts in and through the town-meeting. In the cities, it is doubtless an element of danger until enlightened by more than five years' residence. But if we consider this matter fully, we find that the city organization is much less democratic than the town-meeting, and we have the best proof possible of the success of absolutely democratic institutions, when we prove that, by means of the town-meeting, which is absolutely democratic, we have the safest, purest and most economical management of municipal affairs, including taxation.

The drones of society, much more than the paupers, are the greatest burdens upon the community; using neither their hands nor their heads, making no effort by which they render a service or add a single product to the general stock, they waste the substance of the people. If the property of such men could be reached by heavy taxation, it might well be justified; but they are comparatively few in number, and must be treated as one of the results of imperfect education and of the low state of our civilization.

The vampires who gamble in time contracts in stocks, and under the name of "corners" steal the contents of each others' pockets, or pluck their silly victims, might well be assessed; but, as their capital commonly consists of brass, the result of the assessment would hardly pay the cost.

The avaricious man who gives his whole time and thought to the accumulation of capital, is working for the benefit of the community, as he is adding constantly to the tools by which production will be increased, while the spendthrift is an injury to the whole community, because he is, while merely spending his income, really wasting the proceeds or results of other men's labor. Hence the great and permanent injury to the country from extravagance of the present day, following the sudden and easily acquired fortunes which have resulted from the depreciation of the currency. Every man who is to-day securing an income by methods which do not tend to increase the aggregate production of the country or otherwise render a service to the people, and who, by means of an inconvertible paper currency, is producing changes of value in commodities not warranted by the relations of supply and demand, is stealing the product of other men's labor. The people have, by authorizing the law by which paper money was rendered a legal tender, created a tool with which skilful men can filch from the products of their labor without rendering an equivalent service.

This law may have been necessary, may have been a part of the destructive need of the war, and may have saved the people from worse evils; but let us call it by its right name; it was simply a law for the collection of a forced loan. The legal-tender note, or lawful money, as it is called, does not represent real money. Real must contain, *in itself*, two properties: first, *measuring power;* second, *actual value.* Coined money possesses measuring power by virtue of the stamp impressed upon it by the mint, which stamp is simply a guaranty that each coin contains a certain number of grains of gold or silver; but it also possesses actual

value because it represents the past labor or effort of the men who have been engaged in discovering, opening and working the mines and separating the metals from the ore.

Paper money possesses measuring power by virtue of the declaration of the Government that it is a dollar, and possesses value only because the people have confidence that it will sometime be paid in coined money. The legal-tender note is really the representative of a forced loan, and as such should be paid in coin or converted into bonds bearing interest as soon as possible; it represents not value or the result of past effort or labor, but debt, or the promise of payment from the result of future labor.

One of the injuries to the community arising from the use of inconvertible paper money as a measure of value, is in the fact that as it has no uniform value in itself and for itself; every one who receives it seeks to get aid of it as soon as possible; this leads to the willingness to pay a little higher price for articles of real value and stimulates exchange or speculation in commodities. From this arises a greater apparent profit to the individual exchange of, or speculation in commodities, rather than in their production, hence the community suffers. Production supports the whole community, including those who conduct the necessary exchanges, and when the number of the latter is greater than the absolute need, the producer is supporting an unnecessary number of agents, and the rents of stores and shops rise in an undue proportion. The business portion of the community are simply agents acting for the great mass to exchange their products and their warehouses are simply their tools, both useful when they promote cheapness of exchange, harmful when they increase the cost of exchange above the absolutely necessary point. The desire of every man to rid himself of paper money, or of bonds of the Government which pay him no interest, stimulates an unnatural exchange, advances prices, causes rents in cities to rise, repels young men from productive labor, and increases the number of agents or business men. Hence the absolute need of a steady withdrawal of legal-tender notes, and the return to coined money which has value in itself, or its representative, paper money convertible into coin on demand.

During this withdrawal, what is called business will suffer; men who are in debt may fail, but real prosperity will increase, because, by this very process, production will be enhanced. Hundreds of persons will be thrown out of employment, and forced to leave their business of exchange and seek employment in the fields or the workshop. Much real hardship will ensue; because, if we have broken a great economic law in declaring that to be real money which is not money, the innocent must suffer with the guilty, precisely as in the case of the infraction of a great moral law, the criminal causes misery and suffering to others than himself.

The wisdom and statesmanship of the legislators will be tested by their success in solving this difficult problem: in causing the change from fictitious to real money to be accompanied with the least disaster possible. If an unwise or mistaken course is followed, production may for a time be decreased, and the difficulty sought to be avoided may be aggravated.

As the return to specie payments must be accompanied by a steady reduction of the prices of all commodities to a uniform or specie stand-

ard; and as it is evident that the general interest demands the enforcement of this return by the gradual but steady withdrawal of all the legal tender notes or evidences of a forced loan, it would seem fit and proper that Congress should permit the community to return to a specie standard voluntarily, by rendering legal all contracts made in specie. Why should the Government arrogate to itself the right to make contracts payable in gold, and not permit the people, whose servants the members of the Government are, to do the same thing.

If such a law were passed, all contracts made on long time would be made payable in gold, and one of the great impediments now existing to the erection of houses, mills, and the like, and to the construction of railroads, would cease; and all contracts for the purchase or sale of foreign commodities would be made payable in gold (as many now are, without any warrant in the law, but dependent upon the honor and integrity of the merchants for their fulfilment, and not upon the law).

I have elsewhere said that gold will flow to, or remain in, that country which has a use for it. The product of our mines is $100,000,000 a year, and if we could retain this sum annually for four or five years, it would furnish all the currency we require. We certainly shall not retain it until we have a use for it. The Government has a use for gold, and therefore demands it in payment for duties and gets an ample supply. If the people begin to use it, as they will when specie contracts are legalized, then it will remain here; the demand will induce the supply.

And when it shall become evident that to conduct transactions upon a gold basis is better for the purchaser, since when the standard is uniform there can be no additional profit charged by the seller for the risk of variation, will not the use of legal tenders partially cease? What will they then be? No longer money, but bonds bearing no interest, which the holders will insist upon converting into bonds bearing interest, even at a low rate. They may depreciate, or in common language, gold may rise, but then the more inducement to the community to conduct its transactions in gold and not in currency. The more they depreciate the more will be the anxiety to convert these into bonds bearing interest, instead of the unwillingness to do so now manifested.

I believe that the passage of a law for the enforcement in specie, of contracts made payable in specie, would hasten the general return to specie payment, and that it would be one of the natural methods, because it would simply remove a legal obstacle now standing in the way of the free action of the people. Such a law would permit old-fashioned people, who prefer stability and a small profit, or a fair return for service rendered—to gambling and speculating—to conduct their business in such manner as would secure their desire.

(By speculation I mean rash transactions based on chance, not the wise foresight of the true merchant who buys heavily to meet a probable scarcity, thereby equalizing prices and rendering a valuable service to the community.)

Another illustration of the fact that taxation is paid chiefly by labor, and not by capital, may not be amiss.

Let us suppose a community of five men settled upon a given tract of land, near which is a city ready to take any farm product at a uniform

price. The men have each an equal amount of capital, represented by a spade. A, B, C and D raise just enough to feed themselves, and to procure in the city clothing and fuel, E, however, by working harder, and with more intelligence, and by denying himself some portion of the food and clothing which the others consume, is enabled to exchange a portion of his product for a horse and plough. He has now more capital, but only enough for his own use. The next year he has surplus product enough to procure another horse and plough, but cannot use it himself; he therefore offers it use to A, B, C and D, and the one who will give the largest proportion of his crop, say D, gets it—the competition is four to one, and the rent high. The next year E has not only the surplus from the horse and plough used by himself, but the rent from D, and would purchase two more ploughs, and in such case he would have three ploughs to let; there would be four competitors, and it would be the best use of his capital: the competition would not be as great as when it was four for one, but it would still be four for three; the aggregate rent would be larger, but the relative rent smaller. But now comes in an income tax, and takes from E such portion of his farm product as would buy one plough; and the officers of the Government consume such product—the avails of the tax. E can only purchase one more plough, making two instead of three to let: the competition is four to two, instead of four to three, as it would have been in the absence of the income tax. C and D bid high, and supplement their spade labor at the cost of a heavier share of their product; E gets not as large an aggregate, but a larger relative rent for two than he would have for three; C and D are poorer than they would have been, and A and B remain spade laborers.

In the absence of the income tax, B, C and D would each have had a plough at a low rent, and A would have been the only spade laborer. The next year all would have had ploughs, and some other use for capital would have had to be found—thus inducing enterprise. Then would come the natural time for E to become an employer, and to hire men from elsewhere to come in and use his ploughs, since no one will hire them and his market will still take all farm products at a uniform price—the inhabitants of the city having increased as fast as the farm products increased.

I have defined capital to be the surplus result of labor, not consumed, but put into a form for further use. The bonds or evidences of debt of the country must not be confined with the capital of the nation; they may represent capital to an individual, but to the community they can only represent a burden.

The utter ignorance of this economic law was not long since exhibited by the publication of a pamphlet entitled, "A National Debt a National Blessing." The same ignorance is constantly to be observed in the Congressional debates upon the currency, which would be amusing, if they were not dangerous, we may however feel tolerable assurance that there is wisdom enough to resist any further inflation. Those who propose the issue of more legal-tender notes are rapidly losing the confidence and even the respect of the community, and must soon cease their dangerous effort, unless they wish to be held responsible by an outraged community for attempting to steal from labor its reward, and to be esteemed not only wilfully ignorant, but intentionally criminal.

The absurd dogma that a national debt is a national blessing hardly needs notice, yet it may not be amiss to give a word to it. During the war a portion of the productions of the country were taken and used. For what? For destruction not only of the products thus taken, but of other accumulated capital. What was given for such productions? An evidence of debt, the interest, and finally the principal, of which must be gathered from the future production of the people. Who holds these evidences of debt? A portion of the people who are thereby enabled to live without work, on an income derived from property, which, while it represents property to the owner, represents only destruction of capital to the community.

Suppose a town wishes to build a school-house, and it employs one man who cuts and frames the timber, makes the bricks, and erects the building, receiving while thus employed his food and clothing, and at the completion of the building an annuity of three hundred dollars as long as he lives, on which sum he can live without further work; and suppose that he chooses so to do. The town has the service of the school-house in which its children are taught, and thereby made more effective in their work; their productive capacity is so much increased by the service rendered them by the school-house as to give them six hundred dollars more per year than they would have made without it, then their gain is three hundred dollars above the annuity. But suppose the school-house is destroyed by fire the day it is finished: the annuity remains, and the man who receives is as much a burden as if he were a pauper or a cripple; he lives by the labor or others, consuming only and not producing. Such is the evil of debt incurred for the purpose of war. Yet active, destructive war may be, as was our late war, a vast benefit; because it destroyed slavery, a condition of passive but destructive war of the most injurious kind, far worse in its effects than the active war by which it was destroyed.

The result of slave labor has not been, and cannot be the accumulation of any large amount of capital. It yielded a certain product at the cost of the natural fertility of the soil,—witness the testimony of one of the most intelligent southern writers, Dr. Cloud of Alabama, who says, "If the country or the climate has been cursed in our appearance as planters here, it has been in the wasting system that we introduced and continue to practice." Then after defining the great natural advantages of Alabama, he continues: "If this condition of things be fact, why is it that we find so many wealthy cotton planters, whose riches consist entirely of slaves and *worn-out* plantations?"

There is a great prejudice against having our bonds held abroad, but I think this is a very ignorant prejudice. It is much better that the bonds should be held out of the country than in it, if the holder intends to live upon the interest. Let me illustrate:

Suppose a community of six persons, five of whom are employed for a year in draining a swamp, while the other one raises the food on which the six live, he having capital in the form of farm-tools, horses, etc. For his services in raising food, he receives a bond of $1,000, the interest on which is to be raised by a tax on the whole future product of the six; but the capitalist who holds the bond can live on the interest, and refuses to produce anything more: then have not the five to support six? On the other hand, the capitalist sends the bond to another community, and pro-

cures for it a thousand dollars worth of better tools than he had before, and continus to work: the interest is still only sixty dollars, but there is the product of six plus the product of the improved tools to assess the tax upon. The interest is the same but the product greater.

If we send our bonds to Europe, and get for them, as will hereafter be proved, five parts good tools, or of the comforts of life to one part of luxuries, we make a good bargain, and are much better off than if we retained them here, and, by so doing, released a part of our own people from work.

But a tax of a given amount, even for interest on bonds, may be either a burden too grievous to be borne, or it may be slight in its effect, the given amount being the same in each case, upon which point some further remark will be made hereafter.

The greatest progress of a country will be secured by application, on the part of the people, of the greatest number of hours of labor consistent with health and education, to the production of raw materials, yielded by the soil or the mines, or in preparing such raw materials for use by the process called manufacturing. We may be sure that God has indicated the direction in which such labor can be expended with the best results, by giving to different countries different conditions of soil and climate; and that to interfere with the natural distribution of labor in accordance with these great laws, as has been done by all so-called protective legislation, is to cramp civilization and prevent the spread of Christianity throughout the world.

Commerce is the most effective agent of civilization, but protection, if carried to its legitimate result, would cause each nation to satisfy, as far as possible, all its desires within its own limits, and there could be no foreign commerce.

To illustrate this point. The Kaffir of South Africa was formerly a savage warrior; he is now a peaceful shepherd in whom some of the desires of civilized life have been developed. How has this come about? By the desire of the civilized men of Europe and America for a kind of wool which the climate and soil of South Africa will produce. It happens that, upon the hills of South Africa wool can be raised with no labor except that of the shepherd to tend the sheep and the annual shearing, but the wool is absolutely useless in that climate. On the other hand, wheat, tobacco, butter, cheese, ironware and tools cannot be raised or made there at all. What has happened from these conditions? The first settlers tempted the Kaffirs to become shepherds by offering them good bread, butter, cheese, iron and other luxuries hitherto unknown to them, but yet real necessities for the full development of the manhood in them. Europe and America took the wool and gave the wheat.

But now the United States say, or rather Ohio says, we can raise all this wool. True; but instead of expending only the labor of a Kaffir who can do nothing else, we must build great barns to protect our sheep in our cold winter, we must employ farmers to raise hay and roots to feed them; and we must expend two days labor of a civilized man, where the half civilized Kaffir need expend but one—yet we ought to be protected in our labor: we, the educated, civilized men of Ohio and Vermont and Massachusetts need to be protected against that poor, half civilized creature—we are afraid of him. God has given him more sunshine and a better position than ours, and, if he advances, we shall be degraded.

Suppose Europe were equally afraid of the poor Kaffir, and protected itself against his wool, what would become of it? No one would give him wheat or any other commodity for it; he cannot eat it or wear it, and it is the only thing he can raise; if he cannot sell it, he must cease work, cease progress, relapse into barbarism—all the missionaries in creation couldn't save him. Yet if protection against the Kaffir's wool is good for America, it is good for Europe and ought to be adopted. Is it not true, then, that the logical result of protection is to cramp civilization and check the spread of Christianity?

But, says the advocate of protection, when driven from the prohibitive doctrine, we only want such incidental protection as will come from a revenue tariff. The answer is that there can be no such thing as protection in a true revenue tariff, because just so far as a tariff stimulates the home production of the commodity upon which the duty is imposed, just so far it prevents the importation of that commodity, and therefore it so far fails to yield revenue. A true revenue duty must always be at a rate less than the one which will carry the cost of the commodity so high as to induce its production at home.

There can, it is true, be no tariff, except one that simply imposes duties on commodities which cannot be produced at all in the country which imposes it, without its affording some stimulus to the production of articles which would not otherwise be produced, and this is the protection incidental to a tariff. But it is a fault in the tariff as a revenue measure, and not a merit.

Take the case of the Kaffir's wool again. Ten cents worth of wheat will buy of him a pound of wool. The Ohio farmer can furnish ten cents worth of wheat, we will say, by one hour's labor; but a pound of wool will cost him two hours labor, or twenty cents.

Now, if you put a revenue duty of eight cents on the wool raised by the Kaffir, it will still come; as its total cost in the United States will still be only eighteen cents. The Ohio farmer will still make wheat to exchange for it, only we shall get less wool for the wheat; but, if you impose a duty which involves any incidental protection or any other kind of protection, it must be over ten cents so as to raise the cost of the Kaffir wool to over twenty cents. Suppose you put the duty twelve cents, then the Ohio farmer is protected, and can make it for less than its cost plus the duty; the Ohio farmer gives up raising wheat, but expends twice the labor on wool; commerce with the Kaffir ceases; woolen clothes cost double; the Government has no revenue; the civilized man has put his two hours labor against the Kaffir's one, and by means of protection has won the game; the Kaffir relapses into barbarism, and that is the end of it: but is the civilized man any better off than he was before? He has now to pay a direct tax for the support of the Government, and has less time to work it out than he had before. And this leads us to the second point, viz., that a tariff is a tax under another name, and that a tax of any kind can only be more or less of a burden upon those who pay it.

I may be more stupid than other people, and, at the risk of being considered so, I must say that the common arguments used in regard to a tariff, by the advocates of what is called protection to American industry, would lead an ignorant man to suppose that the Government was conferring a great favor upon the people by making the commodities which

they wish to purchase of foreigners cost them more than the foreigners are willing to sell them for.

The first question to be asked is, what is the object of a tariff? To which question I think very few men would make the one answer which is complete, viz., to raise a certain amount of money with which to pay the expenses of the Government. Very many would qualify this answer by adding, "To raise money, and to develope the resources of the country." But let us look a little deeper. Would any nation impose a tariff of duties, if it had no expenses to meet, if it had no money to raise? The answer is simply, no, of course not. Why not, if by a tariff the resources of the country will be developed? Can any one reply to this?

Next, let us examine into the nature of the expenses of Government. They are, 1st, The support of the army and navy. Are they productive? Not at all: their purpose is war, which is destruction. 2d. Interest on the national debt. Is it productive? No; it represents only the destruction of capital caused by the late war. 3d, The pension list and the expense of the civil service. Are they productive? Not at all; the pensioners are still representatives of the destruction of war, and the civil officers of the Government, while necessary to give organization and production, do not themselves add anything to the aggregate of material product, but simply consume a portion of it.

All the material of war, and all the dwellings, food and clothing of the officers of the Government must therefore be provided by the labor of the people. "But," answers some one [who is still in the state of haziness which obscured the vision of the writer for a long time] "if all those expenses are paid by a tariff, how are they provided by the labor of the people?" Because all foreign commodities imported are the result of the labor of the people of foreign countries, for which we exchange commodities which are the result of the labor of our own people (two of our commodities or products being gold and silver); and, if the Government adds to the cost of the foreign commodity by the imposition of a duty, it will take so much more of the home commodity to pay for it. Let us suppose that we can produce a given quantity of wheat with the expenditure of a less number of days labor than are required in England, and England can produce a given quantity of iron with a less number of days labor than are required by the United States: of course we shall exchange wheat for iron. The Goverment then imposes a duty upon iron, its object being to procure money for the payment of its expenses. If any revenue is expected from the duty on iron, it must represent less than the difference in the labor required in England to produce iron as compared with the labor required in the United States.

(To be Continued.)

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

COTTON, BREADSTUFFS, PROVISIONS, ETC.

The British Board of Trade returns for the first quarter of the present year indicate that notwithstanding the apparent slackness which has existed in Great Britain for the last few months, the export trade of the country is still quite satisfactory. In comparing these figures, however, with those for 1866, it should be remembered that the trade of the United Kingdom last year was more than usually animated. Very large purchases were then being made by ourselves, the declared value of the exports to United States ports, in the first three months being as much as £8,000,000, against only £3,000,000 in 1865. This year, in the same period, the shipments have reached a total value of £6,113,600, so that, as compared with 1866, there is a dimunition of nearly £2,000,000, but as compared with 1865, an increase of rather more than £3,000,000. Neither of these comparisons, however, can be considered fair, for during 1865 our purchases were much below the average, while last year our merchants were taking more than an average supply. If therefore, we extend the comparison to the year of 1864, we shall find that the declared value of the exports of British and Irish produce and manufactures to the United States was £6,500,000, showing a dimunition this year of £400,000 only. This country still ranks as the best customer that England possesses for her manufactures, nearly one-fifth of the total shipments being on United States account.

The principal decline in the exports to this country in the first three months of the present year is in cotton piece goods, which show a falling off to the value of £410,000, in linen piece goods £46,300, and in woolen and worsted manufactures £789,000. Haberdashery and millinery, cutlery, linen thread, bar iron, wrought iron, iron hoops and boiler plates, tin plates, silk manufactures, and alkali, also exhibit a considerable reduction; but, on the other hand, there is an important augmentation in the shipments of railroad iron, the increase in the export of this article being nearly £233,000. In the annexed statement will be found all the leading articles of export to the United States, together with the aggregate value of these shipments hence during the first three months of each of the last three years:

EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES TO THE UNITED STATES FROM JANUARY 1 TO MARCH 31.

	1865.	1866.	1867.
Alkali	£10,860	£281,971	£220,893
Beer and ale	6,405	20,841	25,524
Coals	15,989	19,361	16,136
COTTON MANUFACTURES—			
Piece goods	400,945	1,511,479	1,135,637
Thread	29,013	99,047	98,617
Earthenware and porcelain	88,975	190,204	207,052
Haberdashery and millinery	217,363	576,423	514,866
HARDWARES AND CUTLERY—			
Knives, forks, &c	28,029	93,707	76,180
Anvils, vices, &c	18,379	44,209	26,442
Manufactures of German silver, &c	38,387	210,222	145,914
LINEN MANUFACTURES—			
Piece goods	595,725	1,418,111	944,521
Thread	38,322	67,906	46,047

METALS—			
Iron—Pig, &c.	8,071	88,108	91,212
Bar, &c.	44,013	172,537	105,504
Railroad	21,139	93,509	326,005
Castings	720	4,426	1,959
Hoops, sheets and boiler plates	13,218	82,973	50,651
Wrought	48,415	77,282	46,688
Steel	76,793	153,898	190,426
Copper, wrought	6,164	20,929	10,972
Lead, pig, &c.	5,077	51,829	27,814
Tin plates	152,351	423,924	290,852
Oil seed	39	42,555	46,495
Salt	6,142	37,237	25,132
SILK MANUFACTURES—			
Broad piece goods	14,887	70,947	38,971
Handkerchiefs, &c.	908	5,477	575
Ribbons	8,584	21,068	12,566
Other articles of silk	23,505	44,028	18,063
Other articles mixed with other materials	7,110	25,553	24,704
Spirits, British	180	1,657	997
Wool	....	242	715
WOOLEN AND WORSTED MANUFACTURES—			
Cloths of all kinds	142,023	391,640	319,515
Carpets and druggets	24,740	237,171	274,173
Shawls, rugs, &c.	7,329	14,918	24,414
Worsted stuffs of wool only, and of wool mixed with other material	472,166	1,461,189	727,969
Total	3,022,916	8,056,586	6,113,609

In the first two months of the present year, the total computed real value of the principal imports into the United Kingdom was £24,281,084 against £26,457,723 last year, and £19,253,701 in 1865. Of these the value of the cotton imported was as under:

	1865.	1866.	1867.
From United States	£56,046	£5,246,388	£3,309,885
Bahamas and Bermudas	705,47[illegible]	22,767	....
Mexico	520,950	12,924	....
Brazil	691,693	872,092	520,786
Turkey	147,276	10[illegible],077	79,443
Egypt	3,046,485	1,4[illegible]5,690	1,706,511
British India	1,261,[illegible]03	2,152,530	465,165
China	269,858	..	10,001
Other countries	58,454	162,682	173,098
Total	7,057,244	10,055,15[illegible]	6,264,889

COTTON.

The import of cotton in March was 883,840 cwt., of which 512,988 cwt. were from this country, 228,871 from Egypt, and only 50,521 cwt. from the East Indies. The total supply received last year was 872,827 cwts., and in 1865, 621,673 cwt. For the first three months of the present year the imports were 1,815,219 cwts., against 2,026,409 cwt. in 1866, and 1,433,274 cwt. in 1865. Annexed are the particulars of these imports:

	1865. cwts.	1866. cwts.	1867. cwts.
From United States	19,989	1,078,955	999,403
Bahamas and Bermudas	99,733	2,602	42
Mexico	75,675	2,850	.....
Brazil	119,818	149,701	114,778
Turkey	57,226	41,374	33,215
Egypt	477,363	246,897	454,005
British India	404,610	457,450	147,030
China	106,146	.....	2,041
Other countries	72,714	46,580	64,705
Total	1,433,274	2,026,409	1,815,219

The exports of cotton during the three months have fallen off to the

extent of 188,000 cwts., while as regards cotton goods there is a decline of about 40,000,000 yards. The following statement shows the extent of the exports of cotton and cotton goods to all quarters, from Jan. 1 to March 31:

COTTON.

		1865.	1866.	1867.
To Russia	cwts	.....	3,864	.....
Prussia		.....	19,172	50,319
Hanover		10,951	4,167	2,958
Hanse Towns		63,150	322,119	197,118
Holland		38,170	106,367	93,687
Other Countries		175,192	275,535	198,317
Total		287,463	731,124	542,399

COTTON GOODS.

Cotton yarns, lbs	15,815,337	34,679,987	33,801,690
Cotton piece goods, yards	438,340,912	581,818,356	621,976,793
Cotton thread, lbs	1,001,163	1,337,215	1,593,269

BREADSTUFFS.

At the date of our latest advices, the wheat trade in England was very quiet, but very firm. This arose out of the circumstance that a considerable inroad had been made into the stocks of old wheat, which had been held over from the fine harvests of 1863 and 1864, but as the weather was fine, and as the harvest prospects were good, while the imports from foreign countries were on such a scale that supply and demand were pretty equally balanced, millers exhibited great caution in making purchases, and hence the quietness of the trade. So long as the state of the weather justifies millers in believing that a good crop of wheat may be anticipated, there seems to be no doubt but that they will continue to pursue their present cautious policy. It may therefore be expected that, with the prevalence of fine weather, the wheat trade in England will assume a position for several weeks quite devoid of interest; but if unfavorable weather intervene, between now and harvest, there seems to be room for a considerable rise in prices. In the Board of Trade returns, this country still continues to exhibit a very inferior position with regard to our shipments of cereals. In the first three months of the present year, out of a total import of wheat of 6,061,852 cwts., 2,789,245 cwts were received from Russia, 901,117 from Prussia, and only 508,244 cwts. from this country. The total import of flour was only 885,183 cwts., being nearly 1,000,000 cwts. less than in 1866, and of this quantity only 59,560 cwts. were received from the United States. The annexed statement shows the imports of cereals into the United Kingdom from January 1 to March 31, 1865, 1866 and 1867:

IMPORTS OF BREADSTUFFS INTO THE UNITED KINGDOM FROM JANUARY 1 MARCH 31.

WHEAT.

		1865.	1866.	1867.
From Russia	cwts	1,071,117	2,839,170	2,789,245
Denmark		68,699	42,524	170,915
Prussia		139,189	203,961	901,117
Schleswig, Holstein, & Lauenburg		27,529	33,904	39,851
Mecklenburg		24,328	9,980	145,515
Hanse Towns		17,621	35,612	200,764
France		149,504	1,282,140	234,073

	1865.	1866.	1867.
From Turkey, Wallachia, and Moldavia	148,363	174,835	455,989
Egypt	..	.....	10,958
United States	124,426	290,980	508,244
British North America	2,294	8,789	78
Other Countries	139,044	750,053	605,049
Total	1,912,614	5,671,948	6,061,852
Indian corn or maize	1,173,942	3,332,874	1,312,790

FLOUR.

	1865.	1866.	1867.
From Hanse Towns ..... cwts	66,671	47,887	129,052
France	538,219	1,589,482	315,182
United States	71,441	149,570	59,560
British North America	9,959	4,343	6,582
Other Countries	8,203	64,278	374,807
Total	694,493	1,855,510	885,183

PROVISIONS AND LIVE STOCK.

A decline has taken place in the value of these articles during the present year, and although prices are still high, a gradual downward movement in the quotations is perceptible. The imports in the three months had been :

PROVISIONS.

	1865.	1866.	1867.
Bacon and hams ..... cwts.	121,745	111,366	67,768
Beef, salt	53,307	39,325	30,733
Pork, salt	26,669	52,161	26,331
Butter	209,056	200,931	202,712
Cheese	127,184	102,645	141,239
Eggs ..... Number	67,855,200	88,717,200	83,489,282
Lard ..... cwts	19,004	41,560	36,060

LIVE STOCK.

Oxen, bulls and cows ..... Number.	29,343	29,707	33,184
Calves	4,061	5,170	3,829
Sheep and lambs	55,012	134,049	111,685
Swine and hogs	14,256	11,976	7,335

TOBACCO.

The imports, exports and consumption in the three months ending 31, were as under :

IMPORT.

	1865.	1866.	1867.
Stemmed ..... lbs.	660,181	2,864,640	1,208,080
Unstemmed	9,685,443	7,838,232	5,608,507
Manufactured and snuff	567,829	502,777	910,476

CONSUMPTION.

Stemmed ..... lbs	2,973,496	3,858,113	4,272,476
Unstemmed	6,651,410	6,788,537	5,792,823
Manufactured and snuff	203,502	233,648	235,825

EXPORTS.

Stemmed ..... lbs	77,402	179,804	137,489
Unstemmed	2,899,801	4,407,324	4,463,160
Manufactured and snuff	282,561	502,800	608,919

SHIPPING.

The annexed particulars relate to American shipping, so far as regards the United Kingdom, during the first three months of the year.

UNITED STATES VESSELS.

	No.	Ton'ge		No.	Ton'ge
Entered in March, 1865	16	17,790	Cleared in March, 1865	26	25,643
1866	49	47,516	1866	43	42,015
1867	32	34,074	1867	45	46,115
" 3 months, 1865	60	67,082	" 3 months, 1865	67	61,039
1866	123	122,965	1866	137	139,904
1867	91	99,529	1867	114	118,535

VESSELS ENTERED FROM AND CLEARED TO UNITED STATES PORTS.

	No.	Ton'ge		No.	Ton'ge
Entered in March, 1865	33	37,175	Cleared in March, 1865	61	73,241
1866	168	153,388	1866	131	121,400
1867	153	145,011	1867	141	163,205
" 3 months, 1865	121	130,992	" 3 months, 1865	146	174,876
1866	413	384,349	1866	392	393,657
1867	352	355,931	1867	372	402,147

CLEVELAND, PAINESVILLE AND ASHTABULA RAILROAD.

Occupying the centre of the Lake Shore Line of railroads, and being the outlet for the Western markets generally, the Cleveland, Painesville and Ashtabula Railroad may fairly be considered as the northernmost stepping stone between the new and old States, and as such, one among the most important works of the Union. At Cleveland it receives the travel and trade from Chicago, St. Louis and Cincinnati, and extending thence 96 miles to Erie, it is continued to Buffalo by the Buffalo and State Line Railroad, and from Buffalo by the Central route to the seaboard at New York and Boston. As it is one of the most important of our railroads, so has it been one of the most profitable to its stockholders, and hence its stock being held for investment, is seldom quoted in the markets. Its real value, however, will be best understood by a careful study of the figures which represent the company's business for the last five years. The amount of the gross earnings of this road of less than a hundred miles, and the working expenses yearly have been as shown in the following statement:

	1862.	1863.	1864.	1865.	1866.
	$	$	$	$	$
Passengers	408,141 49	602,691 13	834,254 85	1,069,323 88	954,538 08
Freight	1,065,060 66	1,347,482 21	1,282,994 14	1,125,502 72	1,468,445 99
Mails	21,600 00	21,600 00	21,600 00	21,600 00	21,600 00
Use of freight cars	....	.....	20,524 94	19,610 01	20,526 59
Interest	15,768 29	24,876 34	30,433 45	25,715 75	12,686 70
Miscellaneous	41,057 86	69,973 17	233,491 30	97,470 50	91,037 49
T'l gross e'rn'gs	$1,551,628 30	2,066,622 85	2,424,298 68	2,359,222 86	2,568,834 83
Maintain'g road &c	157,349 78	258,413 13	279,755 46	378,166 49	697,243 26
Repairs of mach'y	96,965 96	159,570 29	105,225 21	141,578 83	255,781 92
Operat'g the road	300,697 51	326,587 35	387,325 81	544,881 64	521,196 92
U. S. & State taxes	20,641 58	52,967 19	87,974 31	146,034 84	152,571 35
T'l cost of working	$575,704 83	797,837 96	860,280 79	1,210,661 80	1,616,793 45
Net Earnings	$975,923 47	1,268,784 89	1,564,017 89	1,148,561 06	952,041 38

The amount of interest and dividends paid and other disbursements in each of the above years, was as follows:

Interest	$94,710 00	$105,000 00	$105,000 00	$105,000 00	$105,000 00
Dividends in cash	300,000 00	429,000 00	975,815 00	400,000 00	500,000 00
" in stock	300,000 00	330,000 00	.....	608,185 17	.....
" in bonds	400,000 00	.....	.....	.....	.....
Miscellaneous	.....	.....	.....	.....	112,700 00
Construction and equipment	180,994 83	268,610 72	398,747 22	35,375 59	79,306 01
Surplus		141,174 17	84,455 67	*	155,035 37

* The surplus of this and former years was distributed in stock to the stockholders to the amount of $1,000,000, being a 25 per cent. dividend.

The stock of engines and cars owned and operated by the company at the close of each of the last five years consisted of the following:

	1862.	1863.	1864.	1865.	1866.
Locomotive engines	31	31	32	36	37
Passenger cars—first class	21	21	21	20	24
" second class	13	8	..	..	8
Baggage, mail and express cars	8	8	8	12	10
Freight cars	535	801	891	871	890
Coal cars	..	..	..	110	117

The operations on the road for the same years are shown in the following table:

	1862.	1863.	1864.	1865.	1866.
Miles run by pass'ger trains	201,330	202,904	231,820	257,812	261,928
" by freight trains	282,917	346,567	360,379	301,149	298,124
" by coal trains	.....	12,925	15,390	13,955	23,010
Through passengers carried	134,530	137,409	245,662	299,360	360,735
Total " "	237,278	253,479	394,670	501,092	593,748
Through freight (tons of 2,000 lbs.) carried	423,766	544,842	606,964	482,723	385,173
Total freight (tons of 2,000 lbs.) carried	456,066	590,033	657,817	597,306	589,210

The freight carried on the road was classified as follows:

		1862.	1863.	1864.	1865.	1866.
Coal (bituminous)	tons.	726	656	3,744	47,169	107,750
Iron (pig, castings, &c.) and ores	"	7,430	9,024	11,142	19,184	32,411
Railroad iron	"	1,785	3,969	3,753	4,327	948
Petroleum & other oils	"	....	....	....	6,970	6,177
Agricultural products	"	55,120	78,740	144,123	119,506	117,534
Merchandise	"	84,362	180,643	148,397	121,154	111,651
Manufactures	"	85,874	59,407	7,732	57,411	54,798
Live stock	"	119,505	149,907	141,649	107,525	118,921
Lumber	"	5,431	9,423	13,964	17,653	11,716
Other articles	"	95,826	98,264	183,313	96,407	27,304
Total (tons of 2,000 lbs.)		456,066	590,033	657,817	597,306	589,210

The following shows the amount of stock and indebtedness and the cost of road and equipment yearly:

	1862.	1863.	1864.	1865.	1866.
Capital Stock	$3,300,000 00	$3,600,000 00	$4,000,000 00	$5,000,000 00	$5,000,000 00
Funded Debt	1,500,000 00	1,503,000 00	1,501,000 00	1,500,000 00	1,500,000 00
Total	$4,800,000 00	$5,103,000 00	$5,501,000 00	$6,500,000 00	$6,500,000 00
Railroad	$3,452,143 36	$3,566,896 16	$3,766,159 38	$3,802,783 63	$3,882,089 64
Equipment	590,344 23	738,202 15	937,686 15	986,337 49	986,337 49
Total	$4,042,487 59	$4,305,098 31	$4,703,845 53	$4,789,121 12	$4,868,427 13

Assuming the stock of this company at $3,000,000 as at the commencement of the period above reviewed and taking the amounts divided to the stockholders through that period, we find that the latter have received the following amounts—in cash $2,604,815, in stock $1,630,000 and in bonds $400,000, or in all, for the five years embraced, the sum of $4,634,815, nearly 155 per cent., or at the rate of 31 per cent. per annum, not including the current interest on the dividends severally. The company are now paying 10 per cent. on their capital increased by these dividends to $5,000,000, which is equivalent to 16 2-3 per cent. on the original investment. Geographical position is the master-key to this grand result.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of April, the 1st of May and the 1st of June, 1867, comparatively:

	April 1.	May 1.	June 1.
DEBT BEARING COIN INTEREST.			
5 per cent. bonds	$198,091,350	$198,431,350	$198,431,350
" " of 1867 and 1868	15,482,642	15,379,642	15,325,642
" " of 1881	283,745,600	283,746,200	283,746,350
" " 5.20's	989,562,000	1,031,146,150	1,092,640,600
Navy Pension Fund	12,500,000	12,500,000	12,500,000
	$1,499,381,592	$1,541,203,342	$1,602,643,942
DEBT BEARING CURRENCY INTEREST.			
6 per cent. bonds	$12,922,000	$12,922,000	$13,722,000
3-year Compound Interest Notes	139,028,630	134,774,510	130,030,240
3-year 7.30 notes	582,330,150	549,419,200	511,939,525
	$734,280,780	$697,115,710	$655,691,765
DEBT ON WHICH INTEREST HAS CEASED.			
Various bonds and notes	$12,285,658	$11,932,540	$9,713,020
DEBT BEARING NO INTEREST.			
United States Notes	$375,417,249	$374,247,687	$373,209,737
Fractional currency	29,217,495	28,975,379	28,458,075
Gold certificates of deposit	12,590,000	15,400,410	17,323,980
	$417,225,344	$418 623,506	$418,991,792
Aggregate debt	$2,663.713,374	$2,668,875,099	$2,687,040,520
Coin and Currency in Treasury	140,285,304	148,088,002	171,424,583
Debt, less coin and currency	$2,523,428,070	$2,520,786,096	$2,515,615,937

The following statement shows the amount of coin and currency separately at the dates in the foregoing table:

	April 1.	May 1.	June 1.
Gold Coin	$105,956,477	$114,250,444	$98,758,418
Currency	34,328,827	33,838,558	72,666,165
Total gold coin and currency	$140,285,304	$148,089,002	$171,424,583

RAILROAD EARNINGS FOR APRIL.

The gross earnings of the under-specified railroads for the month of April, 1866 and 1867, comparatively, and the difference (increase or decrease) between the two periods are exhibited in the subjoined statement:

Railroads.	1866.	1867.	Increase.	Decr'se.
Atlantic and Great Western	$394,533	$443,029	$48,496	$.....
Chicago and Alton	269,249	283,921	14,672	.....
Chicago and Great Eastern	102,013	103,154	1,141	.....
Chicago and Northwestern	617,970	720,651	102,681	.....
Chicago, Rock Island and Pacific	249,370	280,283	30,913	.....
Cleveland and Toledo	223,113	217,940	.....	5,173
Erie	1,153,441	1,217,143	63,702	.....
Illinois Central	406,772	420,007	13,235	.....
Marietta and Cincinnati	82,722	92,768	10,046	.....
Michigan Central	343,736	362,783	19,047	.....
Michigan Southern	409,427	391,163	....	18,264
Milwaukee and Prarie du Chien	108,082	87,510	....	20,572
Milwaukee and St. Paul	144.950	192.548	47,598	.....
Ohio and Mississippi	277,423	284,729	7,306	.....
Pittsburg, Fort Wayne and Chicago	599.806	575,287	.....	24,519
Toledo, Wabash and Western	270,300	317.052	46,752	.....
Western Union	43,333	40,710	.....	2,623
Total (17 roads)	$5,696,240	$6,030,678	$334,438	$.....

This statement is the most favorable of the year. It will be seen from it that there was an increase in the gross earnings of these roads for April this year of $334,438 over the same month last year. The net increase must be proportionately larger, as expenses are necessarily somewhat less with the fall in prices. The gross earnings per mile of road for the same month of the years respectively, are shown in the statement which follows:

Railroads.	Length in miles 1866.	Length in miles 1867.	Earnings 1866.	Earnings 1867.	Differ'e Incr.	Differ'e Dec.
Atlantic & Great Western	507	507	$778	$874	$ 96	$...
Chicago and Alton	280	280	961	1,014	53	...
Chicago and Great Eastern	224	224	455	460	5	...
Chicago and Northwestern	1,032	1,145	599	629	30	...
Chicago, Rock Island & Pacific	423	423	590	663	73	...
Cleveland and Toledo	173	173	1,289	1,260	29	...
Erie	798	775	1,445	1,570	125	...
Illinois Central	708	708	574	593	19	...
Marietta and Cincinnati	251	251	330	379	40	...
Michigan Central	285	285	1,206	1,273	67	...
Michigan Southern	524	524	781	746	...	35
Milwaukee & Prairie du Chien	234	234	462	374	...	88
Milwaukee and St. Paul	275	370	527	520	...	7
Ohio and Mississippi	340	340	816	837	21	...
Pittsburg, Ft. Wayne and Chicago	468	468	1,280	1,239	...	51
Toledo, Wabash and Western	484	484	559	655	96	...
Western Union	177	177	245	230	...	15
Total (17 roads)	7,183	7,368	$793	$818	$25	$..

RAILROAD REPORTS.

OHIO AND MISSISSIPPI RAILROAD.

The operating accounts of the Ohio and Mississippi Railroad for the two years 1865 and 1866, as given by the Auditor, compare as follows:

	Earnings 1866. E. Div.	Earnings 1866. W. Div.	Earnings 1866. Total.	Earnings 1865.	Difference. Increase.	Difference. Decr'se.
	$	$	$	$	$	$
Passeng'rs	949,821 45	665,774 98	1,615,596 43	2,149,992 82	.....	534,396 39
Freight	929,907 95	651,568 15	1,581,476 10	1,458,557 43	122,918 67	.....
Exp's & m	107,904 42	75,606 55	183,510 97	184,455 20	.....	944 23
Total	1,987,633 82	1,392,949 68	3,380,683 50	3,793,005 45	.....	412,421 95
Ord'y exp	1,791,325 15	1,138,211 13	2,929,536 28	2,772,897 45	456,638 85	.....
Net earn'gs	196,308 67	254,738 55	451,047 22	1,020,108 00	.....	569,060 78

The comparative earnings of the year 1865 and 1866 shows a decrease on the whole line of $412,421 95. The military transportation for 1866 included in earnings was comparatively a small sum, amounting only to $89,813 74, which in 1865 reached $409,450 51, making a difference in favor of 1865 of $319,636 77, and showing that the regular business for 1866 was but a small sum less than for the previous year. And but for the prevalance of cholera in Cincinnati and St. Louis from July to December, and the unfortunate disasters to the road by floods, subjecting the company to the loss of the important bridge over the Miami, seriously interfering with the heavy fall business from which the largest half of the year's revenue is derived, the regular business of the road would have been larger than that of 1865. The disasters referred to added largely to ordinary and extraordinary expenses by the increase of labor and material required to put and keep it in order.

Included in the expenses for 1866 is the cost of 6,013½ tons of iron renewed on the E. D., and 2,689½ tons on the W. D.; besides 63,740 and 56,105 ties laid in the divisions respectively within the year. These, with the cost of washers, track bolts, chairs and spikes, and the increased cost of running the trains over the Indianopolis and Cincinnati Railroad from North Bend to Lawrenceburg, incident to the loss of the bridge over the Miami, makes a total of $565,565 70, swelling the expenses that amount. There is also included in the expenses the cost of road, coals and cross-ties on hand Jan. 1, 1867, $133,200 20.

The gross earnings of the road, by months, are shown in the following table:

1866.	Passengers.	Freight.	Express.	Mail.	Total.
January	$146,604 30	$106,802 00	$8,451 79	$5,683 34	$267,541 43
February	127,961 52	104,622 31	7,842 35	5,683 34	246,109 52
March	178,775 75	130,344 34	11,432 78	5,683 34	326,236 21
April	142,437 97	103,830 25	25,472 08	5,683 34	277,423 64
May	138,432 53	132,066 96	6,957 52	5,683 34	283,130 35
June	114,816 27	122,199 80	10,225 17	5,683 34	253,924 58
July	120,066 18	116,467 86	5,044 90	5,683 34	247,262 28
August	119,843 98	173,880 56	6,045 70	5,683 34	305,453 58
September	117,819 29	145,446 15	9,752 00	5,683 34	278,700 78
October	136,424 32	160,482 91	8,161 71	5,683 34	310,762 28
November	116,965 28	170,384 25	9,392 93	5,683 34	302,425 80
December	155,449 04	113,948 71	6,531 96	5,683 34	281,613 05
Total 1866	$1,615,596 43	$1,581,476 10	$115,310 89	$68,200 08	$3,380,583 50
Total 1865	2,149,992 82	1,458,557 43	116,255 24	68,199 96	3,793,005 45
Decrease	$534,396 39	$	$944 35	$	$412,421 95
Increase		122,918 67		0 12	

MORRIS CANAL AND BANKING COMPANY.

The fiscal year of this Company closes on the 28th of February. The following statement shows the results of operations for the last five years:

	1862-63.	1863-64.	1864-65.	1865-66.	1866-67.
Canal open	(264 days.)	(265 days.)	(261 days.)	(258 days.)	(222 days.)
Tonnage	(712,018 t.)	(718,519 t.)	(723,927 t.)	(716,587 t.)	(889,220 t.)
Tolls, &c.	$303,154 39	$374,601 76	$590,393 26	$600,584 80	$616,350 36
Current interest		7,391 69	6,994 67	8,167 76	10,033 22
Total earnings	$303,154 39	$381,993 45	$597,387 93	$608,752 06	$626,383 58
Repairs of works	$79,857 14	$103,035 58	$159,995 69	$178,897 27	$235,305 55
Operating canal	33,268 22	37,712 83	48,497 92	58,290 47	79,259 43
Salaries, &c.	21,062 30	27,643 93	32,289 61	42,949 16	37,286 91
Transportation exp.	1,636 85	1,823 87	2,669 16	895 43	7,561 50
Total expenses	$135,814 51	$170,221 21	$243,452 38	$281,032 33	$330,413 41
Nett earnings	$167,339 88	$211,772 24	$353,935 55	$327,719 73	$275,970 17
Balance from last y'r	12,720 76	10,108 21	16,490 94	90,919 57	117,351 97
Total means	$180,060 64	$221,880 45	$370,426 49	$418,639 30	$393,322 14

From this was disbursed as follows, viz.:

Divid'nds pref. stock	$117,500 00	$117,500 00	$117,500 00	$117,500 00	$117,500 00
" consol. "		35,875 00	102,500 00	102,500 00	82,000 00
Interest on bonds	41,310 00	44,340 00	45,330 00	45,660 00	55,334 72
U. S. Tax			11,902 96	9,938 49	5,894 59
Disc't on bond loans				24,963 12	22,869 02
Boat loan, bonds bought & cancelled					11,000 00
Depreciation of boat stock	11,142 43		2,273 96	725 72	1,526 82
Bad debts		7,674 00			275 69
Bal. at close of year	10,108 21	16,490 94	90,919 57	117,351 97	96,914 14

The financial condition of the company on the 1st March, yearly, is shown in the statement which follows :

	1863.	1864.	1865.	1866.	1866.
	$	$	$	$	$
Cost of works, &c	2,925,489 71	2,973,029 39	3,002,205 17	3,110,679 59	3,269,756 13
Cash	10,326 00	10,084 56	24,524 05	35,011 45	64,151 96
Bills, accounts, &c	24,522 68	15,241 82	60,151 52	56,130 65	61,661 85
Materials	12,518 64	8,623 08	10,059 71	7,387 66	21,055 11
Total	$2,972,857 03	3,006,981 85	3,096,940 45	3,209,209 35	3,416,625 05
Stock—consolidated	1,025,000 00	1,025,000 00	1,025,000 00	1,025,000 00	1,025,000 00
" —preferred	1,175,000 00	1,175,000 00	1,175,000 00	1,175,000 00	1,175,000 00
Mortgage bonds	727,250 00	750,000 14	761,250 00	761,250 00	768,250 00
Boat loan bonds	.....	.....	.....	99,852 50	232,087 50
Current Liabilities	35,498 82	40,240 91	44,770 88	30,754 88	119,373 25
Profit and loss	10,108 21	16,490 94	90,919 57	117,351 97	96,914 30
Total	$2,972,857 03	3,006,981 85	3,096,940 45	3,209,209 35	3,416,625 05

CAMDEN AND AMBOY AND NEW JERSEY RAILROAD CONSOLIDATION.

The first joint report of the consolidated companies—The Camden and Amboy R.R. Company—The Delaware and Raritan Canal Company, and the New Jersey R.R. Company—has been made to the stockholders, from which it appears that the three corporations, although preserving distinct organizations, are united in interest, and have one general management by officers of the consolidated association. We have compiled the following statistics as to the condition of the companies Jan. 1st, 1867, and their operations in 1866, from the report. The Delaware and Raritan Canal and Camden and Amboy R.R. are known as the "old joint companies."

Stock and Debt.	Del. & Raritan Canal.	Camd. & Amboy R.R.	Old "Joint Compan's."	New Jersey R.R.	Phil. & Trenton R.R.	Total.
Full paid stock	$2,521,300	$5,000,000	.....	$5,000,000	$1,099,120	$13,620,420
Less held by associated co's	.....	.....	.....	.....	.....	645,000
						$12,975,420
Scrip stock 25 p. c. paid issued by old "j'int c'mp'n's," Jan. 1	.....	.....	.....	.....	.....	466,112
Undiv'd ear'gs Jan. 1st	.....	.....	1,072,994	657,448	565,065	2,295,508
						$15,737,041
Funded debt	.....	.....	10,182,137	855,000	200,000	11,237,134
Total liabilities						$26,974,178
Assets—						
Works & eq'p's	$4,381,251	10,099,500	.....	$5,658,788	$1,675,790	$21,814,831
R.R. stocks	.....	.....	2,517,065	629,245	151,455	3,297,765
R.R. bonds & advances	.....	.....	1,284,670	.....	.....	1,284,670
Other accounts	.....	.....	115,571	.....	.....	115,571
Cash, &c	.....	.....	199,985	224,415	36,939	461,340
Total						$26,974,178
Earnings in 1866—						
Tolls and other receipts	$1,294,157	$.....	$.....	$.....	$.....	$1,294,157
From passeng's	.....	1,437,440	.....	1,275,588	782,322	3,495,350
From freight	.....	1,842,082	.....	269,768	16,437	2,128,287
Miscellaneous	.....	42,306	238,805	225,506	38,055	544,672
Steam towing	.....	609,067	.....	.....	.....	609,067
From operating Ph. & T. R.R.	.....	382,000	.....	.....	.....	382,000
Total	$1,294,157	$4,312,895	$238,805	$1,770,862	$836,814	$8,453,533
Expenses in 1866—						
Operat'g expe's	$243,494	$2,562,100	$52,837	$981,847	$659,934	$4,500,214
Taxes	117,019	247,409	49,033	137,327	37,088	587,878
For stm towi'g	.....	610,223	.....	.....	.....	610,223
Operat'g Ph. & T. R. R.	.....	382,000	.....	.....	.....	382,000
Total	$360,513	$3,801,732	$101,871	$1,119,174	$697,023	$6,080,315

Net earnings	933,642	511,162	136,934	651,687	139,791	2,373,218
Interest paid	.....	.....	633,511	55,629	16,929	706,069
Total dividend fund						$1,667,148
Traffic—						
Tons on canal	2,857,244	.....	.....	.....	.....	....
Through pass's	.....	.....	.....	.....	.....	689,110
Other passeng's	.....	887,862	.....	2,998,452	887,862	4,573,424
Total tonnage of freight on R.R.	.....	.....	.....	.....	.....	824,895

NORTHERN CENTRAL RAILROAD.

The earnings and expenses of the Northern Central Railroad, its branches and leased lines, for the year ending December 31, 1866, are shown in the following statement:

	Northern Central. (138 m.)	Wri'tsv'le Branch. (13 m.)	Shamokin Division. (28 m.)	Elmira Division. (78 m.)	Chemung Division. (22 m.)	Canand'g Division (47 m.)
Freight	$1,869,293	$12,920	$314,484	$348,372	$39,665	$60,916
Passengers	786,665	14,028	21,010	133,145	38,385	40,898
Express	69,329	.....	151	16,766		
U. S. mails	25,450	650	1,400	11,550		
Rents	142,731	.....	8,292	.....	2,935	7,047
Sundries	65,555	.....	2,799	7,698		
Gross earnings	$2,959,013	$27,598	$348,138	$517,531	$80,985	$108,861

The expenses of transportation, maintenance, &c., were—

Transportation	$406,959	$5,773	$52,992	$139,010	$41,041	$40,216
Motive power	574,601	12,777	108,923	285,372	18,331	39,619
Cars	165,517	3	11,536	43,832	4,235	8,471
Way	531,873	7,422	40,324	116,622	.....	75,592
General	31,869	446	3,972	11,626	1,621	3,378
Total expenses	$1,800,819	$26,621	$217,746	$596,462	$65,228	$167,276
Net earnings	$1,158,194	$977	$130,391	.....	$15,757	.....
Loss	.....	.....	.....	$78,931	.....	$58,415

The following is a recapitulation of the above account of earnings and expenses:

	Earnings.	Expenses.	Gain.	Loss.
Main line	$2,959,012 82	$1,800,818 95	$1,158,193 87	$.....
Wrightsville branch	27,597 85	26,621 21	976 64	.....
Shamokin division	348,138 11	217,746 80	130,391 31	.....
Elmira division	517,530 65	595,461 79	.....	78,931 14
Chemung division	80,984 60	65,227 43	15,757 17	.....
Canandaigua division	108,861 55	167,275 92	.....	58,414 37
Total	$4,042,125 58	$2,874,152 10	$1,167,973 48	$.....
Extraordinary expn's	....	127,314 85	.....	.....
Actual result	$4,042,125 58	$2,746,837 25	$1,295,288 33	$.....

The general financial account showing the total financial operations for the year, reads as follows:

Receipts.		Expenditures.	
Earnings as above	$4,042,125 58	Expenses as above	$2,874,152 10
Interest on investments	5,020 12	Interest and discount	433,268 79
" on sinking funds	31,627 49	Dividends	361,466 00
Augmented capital stock	400 00	Taxes on cap'l & divid'ds	27,028 79
Sk'g f'd for $1,500,000 lo'n	146,945 97	Rents of railroads	277,985 42
Bonds of 1900 sold	724,500 00	Sinking funds	103,717 49
Cash liabilities	192,114 23	Additions to property	553,870 34
		Loan of Bal. & Susq. R.R.	150,000 00
		City of Baltimore	361,244 46
Total	$5,142,733 39	Total	$5,142,733 39

The condition of the company at the close of the present year is shown in the following abstract:

Capital stock	$4,518,900 00	Property	$10,905,750 60
Bonds (see b'nd list, p. 569)	5,424,500 00	Sinking funds	495,201 25
Bills payable	1,043,743 75	Cash	368,317 89
Other liabilities	869,867 83	Materials and supplies	309,834 70
Profit and loss	787,769 40	Bonds of other compn's	148,483 63
		Current accounts	417,192 87
Total	$12,644,780 98	Total	$ 2,644,780 98

For some years it has been the policy of this company, the report says, to charge whatever additional equipments was purchased and put upon the road to the ordinary working expenses, until we have an equipment now worth, at a gold valuation, $2,132,000, instead of $1,382,000, as represented upon our books, the difference amounting to $750,000. This, with the $787,769 already credited to profit and loss, shows a surplus fund of over a million and a half.

Speaking of the wear of roads, the same report remarks: "We have, in common with all the railroads of the country, suffered very much from the rapidity with which the iron rails wear out. The average life of a rail has diminished fully 50 per cent. during the last ten years, they lasting now but three years. This causes an expenditure in maintaining the road which tells severely upon the working expenses. We are not prepared to say that the railroad iron now manufactured in this country is inferior in quality, but in the increase of speed by our passenger trains and the increase in weight of engines, together with the increased tonnage, may account for their rapid destruction."

MOBILE AND OHIO RAILROAD.

The 19th annual report of this company gives the following results of operating their road for the year 1866, which we compare with those of 1860:

	1860. (415 m.)	1866. (486 m.)	Increase.
Earnings from passengers	$392,247 23	$902,719 04	$510,471 81
" freight	938,030 91	1,433,491 15	475,460 24
" mails	41,925 75	42,794 00	868 25
" express	10,654 50	70,281 90	59,627 40
Total gross earnings	$1,402,858 30	$2,449,286 09	$1,046,427 79
Cost of repairs and operating	707,488 17	1,390,398 46	682,910 29
Earning less cost	$695,370 13	$1,058,887 63	$363,517 50
Earnings per mile of road	3,379 00	5,087 00	1,658 00
Expenses per mile	1,704 00	2,861 00	1,157 00
Earnings per mile run by trains	1 71	2 35	0 64

The road commenced running on federal currency May 15, 1865. The earnings for the seven and a half remaining months of that year amounted to $1,418,976 30. The earnings for the same months in 1866 amounted to $1,496,517 86. The increase of total earnings has thus been very small, while the receipts from freight fell from $894,541 38 in 1865 to $833,494 29 in 1866, the cotton crop along the road having signally failed, and disappointed the natural anticipations of a largely increased business, expressed by the President in his report for 1865. The cotton transported on the road in 1866 was only about one half the quantity reported for 1860.

The financial condition of the company has not been materially changed since the previous report; on Dec. 31, 1865, the amount of indebtedness, except bonds, was $1,492,757.53, and on Dec. 31, 1866, $1,621,611.13. The changes in the bonded debt are as follows:

	Am't outstanding— Dec. 31, 1865	Dec. 31, 1866.	Difference— Increase.	Decrease.
Income bonds of 1861	$146,200	$85,000	$.....	$61,200
do do 1862	91,000	46,000	.....	45,000
do do 1865	305,800	96,000	.....	209,800
do do 1867	228,900	228,900	.....	.....
do do (Ten years)	75,343	81,685	6,342	.....
First mortgage sterling	4,187,000	4,503,000	316,000	.....
Tenn. State bonds	1,099,000	1,275,000	176,000	.....
do do do (interest funded)	.....	388,800	388,800	.....
Interest bonds	.....	526,300	526,300	.....
Total	$6,133,243	$7,230,685	$1,097,442	$.....

This shows that some progress has been made in funding; but owing to the unfavorable course of business during the past year the resumption of the payment of interest has been put off to May 1, 1868, the foreign creditors having acceded to this arrangement, with the condition that simple interest at 6 per cent be allowed on the coupons matured, and that will mature up to Nov. 1, 1867, the company to issue for the amount, coupon bonds the same in form as the original bonds; the coupons in the meanwhile to remain in trust as collateral security. Regarding the home bonds, the President says—"As the assurance has always been given that bondholders on both sides of the Atlantic should fare as nearly alike as possible, it only remains for those on this side to enter into a similar agreement in order to close this arrangement."

COMMERCIAL LAW.—No. 33.

(Continued from page 363, vol. 56.)

FIRE INSURANCE (CONTINUED).

OF THE INTEREST OF THE INSURED.

As to what interest in the insured is sufficient to support an insurance, the principle is the same in fire as in marine insurance. Any legal interest is sufficient. And if it be equitable in the sense that a court of equity will recognize and protect it, that is sufficient; but a merely moral or expectant interest is not enough. So one has an insurable interest in a house placed on another's land with that other's consent, but not if placed there without license or shadow of title. So, too, one who has made only an oral bargain with another to purchase that other's house, cannot insure it; but if there be a valid contract in law, or if by writing or by part performance it is enforceable in a court of equity, the purchaser may insure. So he may, although there be a stipulation, the breach of which has made the contract void by its terms, if the other party might waive the condition and enforce the contract. So, if a debtor assign his property to pay his debts, he has an insurable interest in it until the debts are paid, or until the property be sold. This was so held where it appeared that

the property would pay the debts and leave a surplus for the assignor; but we should expect the same ruling where thir was not the case.

A mortgagor may insure the whole value of his property, even after the possession has passed to the mortgagee, if the equity of redemption be not wholly gone. So he may if his equity of redemption is seized on execution, or even sold, so long as he may still redeem. And in case of loss he recovers the whole value of the building, if he be insured on it to that amount.

A morgagor and a mortgagee may both insure the same property, and neither need specify his interest, but simply call it his property. The mortgagee has an interest only equal to his debt, and founded upon it; and if the debt be paid, the interest ceases, and the policy is discharged; and he can recover no more than the amount of his debt. And if a house insured by a mortagee were damaged by fire, even considerably, or perhaps destroyed, it might be doubted, on what we should think good grounds, whether he could recover, if it were proved that the remaining value of the premises mortgaged was certainly more than sufficient to secure his debt, and all reasonably possible interest, cost, and charges.

Whether he can hold what he thus receives from the insurers, and also recover his debt from the debtor, we have considered in the article on Marine Insurance. We will only say, that, while recent decisions have thrown much doubt upon this question, we are still of opinion that he cannot do both; and that the insurers should generally be, in some way, substituted, as to his rights against the debtor, for the amount which they pay to him.

The question might possibly arise, whether the debtor could compel or require him to enforce his claims against the insurers, and then consider the debt paid thereby, for his benefit; but we should hold, very confidently, that he could not. In a recent case in Massachusetts, to which we have heretofore referred more than once, and which has been somewhat doubted, it was held that a mortgagee who, at his own expense, insures his interest in the property mortgaged against loss by fire, without particularly describing the nature of his interest, is entitled, in case of loss by fire before payment of the mortgage debt, to recover the amount of the loss from the insurers to his own use, without first assigning his mortgage, or any part thereof, to them. In an elaborate opinion, the court maintain that, notwithstanding respectable authorities to the contrary, when a mortgagee causes insurance to be made for his own benefit, paying the premium from his own funds, in case a loss occurs before his debt is paid, he has a right to receive the total loss for his own benefit; that he is not bound to account to the mortgagor for any part of the money so recovered, as part of the mortgage debt; but has still a rigat to recover his whole debt of the mortgagor. And so, on the other hand, when the debt is thus paid by the debtor, the money is not, in law or equity, the money of the insurer, who has thus paid the loss, or money paid to his use. Decisions which seem to oppose this ruling may be found in Pennsylvania, in New York, in the Supreme Court of the United States, and in England. But the question is not without its difficulty.

It has been held, for strong reasons, that if a mortgagor is bound by his contract with the mortgagee to keep the premises insured for the benefit of the mortgagee, and does keep them insured in his own name, the

mortgagee has an equitable interest in, or lien upon, the proceeds of the policy.

One who holds property only in right of his wife, may insure the property; even if his wife be only a joint tenant. And a tenant for years, or from year to year, may insure his interest, but would recover only the value of his interest, and not the value of the whole property.

We have said that, generally, any one having any legal interest in property may insure it as his own. But there is one important exception to, or modification of, this rule. By the charters of many of our mutual insurance companies, the company has a lien, to the amount of the premium note, on all property insured. It is obvious, therefore, that no such description can by given, or no such language used, as would induce the company to suppose they had a lien when they could not have one, or would in any way deceive them as to the validity or value of their lien. In all such cases, all encumbrances must be stated, and the title or interest of the insured fully stated in all those particulars in which it affects the lien.

A trustee, agent, or consignee may insure against fire, as he may against marine loss. Generally the consignee is not bound to insure against fire, but may, at his discretion. If the insurance is expressly on goods held on commission, the insurers must take notice that the owner does not retain possession of them, and that they are to be in the custody, and under the vigilance, integrity and care of the consignor only. He may insure, expressly, his own interest in them for advances, or the owner's interest. It has been held in a recent case, and we think on excellent reasons, that a consignee may, by virtue of his implied interest and authority, insure, in his own name, goods in his possession against fire, to their full value, and recover for the benefit of the owner. And if the interest be not expressed, the policy will be construed as not covering the interest of the owners, if, upon a fair construction of the words and facts, it seems to have been the intention of the parties only to secure the consignee's interest. And an insurance against fire upon merchandise in a warehouse, "for account of whom it may concern," protects only such interests as were intended to be insured at the time of effecting the insurance.

It is now common for a commission merchant to cover in one policy, in his own name, all the goods of the various owners who have consigned to him. It has been held that the words "goods on commission," in fire policies, have an effect equivalent to the words "for whom it may concern," in marine policies. And it was also intimated, but, as we think, on doubtful grounds, that, if the goods actually were held on commission, they would not be covered by the policy, unless so described, although the insured had a lien for advances; in this case, however, the condition in the policy excluded such goods.

A consignee of goods, sent to him, but not received, may insure his own interest in them against marine risks, and we know no reason why he may not against fire.

So, any bailee (which means any person to whom property has been delivered for any purpose), who has a legal interest in the chattels which he holds, although this be temporary and qualified, may insure the goods against fire. Thus it has been held that a common carrier by land, who

has a lien on the goods, and is answerable for them if lost by fire (unless it be caused by the act of God or the public enemy), may insure the goods to their full value against fire.

The insurers must know whom they insure; for they may have a choice of persons, and it is important to them to know whether they are to depend on the care and honesty of this man or that man. The insured must so describe the owner as not to deceive them on this point, and so he must the ownership. Thus, if he aver an entire interest in himself, he cannot support this by showing a joint interest with another; and if in his action he declare the latter, proof of the former is not sufficient.

So, too, there must be actual authority to make the insurance. This may be express, or implied, in some cases, as it seems to be implied with the consignee, or the carrier, and perhaps, generally, with any one who has an actual possession of, interest in, and lien on, the property. But a tenant in common does not derive from the cotenancy authority to insure for his cotenant; nor could a master of a ship or a ship's husband, merely as such, insure the owner's interest against fire, any more than against marine loss.

OF REINSURANCE.

Reinsurance is equally lawful in fire policies as in marine policies, and in general is governed by the same rules. The reinsurance is an insurance, not of the risk of the insured, for that is a merely ideal thing; but it is an insurance of the property originally insured, in which the first insurers acquire by their insurance an insurable interest. If a common policy be used, with no other change than that the word reinsurance is used instead of insurance, all its requirements are in force. If, for example, in cases of loss, this policy requires a certificate from a magistrate as to character, circumstances, &c., that must be furnished by the reinsured. But if a suitable certificate were given by the party first insured to the original insurer, and he transmit the same forthwith to those who insure him, that is enough; and so it would be with notice, preliminary proof, and all similar requirements. And an insurer who obtains reinsurance is bound to communicate (in addition to whatever else should be stated by one asking insurance) all the information he has concerning the character of the party originally insured; and a material concealment on this point would avoid the policy.

As the insurer, who is reinsured, effects an insurance not on his risk, but on the property, it seems to be very strongly held, that he recovers in case of loss, not merely what he actually pays—although this might be an adequate indemnity—but all that he was legally liable to pay. Of course, if he has any valid defence against the party whom he insured, he must make it; and if it discharges him, it destroys his claim on his insurers. But if there be a loss which he is bound to pay, he recovers from his insurers the whole amount of it, whether he actually pays it or not.

A question then arises, whether, if an insurer who is reinsured becomes insolvent, so that the originally insured does not get a payment upon his policy, this originally insured has not a lien upon him, or a specific interest in the policy of reinsurance. But it is held that he has not. The reinsured assignees, or trustees, take all that is payable under the policy of

reinsurance, and hold it for the creditors generally of thereinsured; and the originally insured takes only his proper share or dividend as one of the creditors of the first insurer.

OF DOUBLE INSURANCE.

Double insurance, although sometimes confounded with reinsurance, is essentially different. By this, the party originally insured becomes again insured; but by reinsurance, the original insurer is insured, and, as we have seen, the original insured has no interest in, and no lien on, this policy. If, by a double insurance, the insured could protect himself over and over again, he might recover many indemnities for one loss. This cannot be permitted, not only because it is opposed to the first principles of insurance, but because it would tempt to fraud, and make it very easy. The effect may be obviated in two ways, one, by considering the second insurance as operative only on so much of the value of the property insured as is not covered by the first; and then, as soon as the whole value is covered, whether by the first or by subsequent policies, any further insurance has no effect. A second way is by considering the second insurance as made jointly with the first. Then only as much would be paid on any loss on many insurances, as on one only; but this payment is divided ratably among all the insurers. All the policies are considered as making but one policy; and therefore any one insurer who pays more than his proportion, may claim a contribution from others who were liable.

In this country, fire policies usually contain express and exact provisions on this subject. They vary somewhat; but, generally, they require that any other insurance must be stated by the insured, and indorsed on the policy; and it is a frequent condition that each office shall in that case pay only a ratable proportion of a loss; and it is often added that, if such other insurance be not so stated and indorsed, the insured shall not recover on the policy. And it has been held that such a condition applies to a subsequent as well as to a prior insurance, or to an insurance of any part of the property covered by the other policy. Nor will a court of equity relieve, if sufficient notice and indorsement have not been made. But it has been held that a valid notice might be given to an agent of the company, who was authorized to receive applications and survey property proposed for insurance.

In some instances the charter of the company provides that any policy made by it shall be avoided by any double insurance of which notice is not given, and to which the consent of the company is not obtained, and expressed by their indorsement in the policy. But this would not apply to a non-notice by an insured of an insurance effected by the seller on the house which the insured had bought, if this policy were not assigned to him.

We have seen that several policies insuring the same party on the same interest are taken to be one policy, and therefore a payment of more than a due proportion gives a claim for contribution. But it seems that this is not the case where there is a clause in the policy like that above mentioned, providing that only a ratable proportion shall be paid by each insurer. For this clause gives each insurer an adequate defence, if more than his share be demanded, and therefore the ground of contribution

fails; for the right to demand contribution exists only when two or more are bound severally to pay the whole, and one pays it, or more than his his share, *by compulsion*, and therefore may ask the rest, who were bound in the same way, to contribute.

It is a double insurance if both policies cover the same insurable interest, and they are all in the name of the same assured, or perhaps, if all, or a part, are in the name of another, for his benefit. Insurance made by a mortgagee, at the expense of the mortgagor, may operate as a subsequent insurance, if the mortgagor had made a former one.

OF WARRANTY AND REPRESENTATION.

The law of warranty and representation is, in general, the same in fire as in marine insurance. A warranty is a part of the contract; it must be distinctly expressed, and written either in or on the policy, or on a paper attached to the policy, or, as has been held, on a separate paper distinctly referred to and described as a part of the policy. Then it operates as a condition precedent; that is, as a condition of the policy, which if it be not performed, the policy never takes effect; if it be not performed there is no valid contract; nor can the non-performance be helped by evidence that the thing warranted was less material than was supposed, or, indeed, not material.

It may be a warranty of the present time, or as it is called, affirmative or of the future, and then it is promissory. And it may be, although of the present and affirmative, a continuing warranty, rendering the policy liable to avoidance by a non-continuance of the thing which is warranted to exist. Whether it is thus continuing or not, must evidently be determined by the nature of the thing warranted. A warranty that the roof of a house is slated, or that there are only so many fireplaces or stoves, would, generally at least, be regarded as continuing; but a warranty that a building was five hundred feet from any other building, would not cause the avoidance of the policy if a neighbor should afterwards put up a house within one hundred feet, without any act or privity of the insured. This subject has, however, been somewhat considered under the topic of alteration.

We have seen, that statements made on a separate paper may be so referred to as to make them a part of the policy. And it is usual to refer in this way to the written application of the insured, and to all the written statements, descriptions, and answers to questions, which he makes for the purpose of obtaining insurance. And although there is in the decisions some indication of distinguishing between the application itself and the conditions on which the policy is made, we see no reason for saying that any statements whatever, made in writing, for the purpose of obtaining insurance, and referred to distinctly in the policy as a part of it, and therein declared to be warranties or conditions on which the policy is made, are anything less than positive warranties. But a fair and rational, or, in some cases, a liberal construction will be given to such statements. Thus, where a charter of a company provided that no insurance on any property should be valid to the insured, unless he had a good and perfect and unincumbered title thereto, and unless the true title of the insured be disclosed, and two persons made application for insurance upon a tannery

and the stock therein, and were insured jointly; and it turned out that one of them owned exclusively the building, and the other exclusively occupied it and owned the stock, the insurers were held.

It is quite certain that the word warranty need not be used, if the language is such as to import unequivocally the same meaning. And an indorsement made upon the policy before it is executed may take effect as a part of it.

A statement may be introduced into the policy itself, and be construed not as any warranty, but merely as a license or permission of the insurers that the premises may be occupied in a certain way, or some other fact occur without prejudice to the insurance.

A representation, in the law of insurance, differs from a warranty, in that it is not a part of the contract. If made after the signing of the policy or the completion of the contract, it cannot of course affect it. If made before the contract, and with a view to effecting insurance, it is no part of the contract; but if it be fraudulent, it makes the contract void. And if it be false, and known to be false by him who makes it, it is his fraud. To have this effect, however, it must be material; and there is no better test or standard for this than the question, whether the contract would have been made, and in its present form or on its actual terms, if this statement had not been made and believed by the insurers. If the answer is, that the contract would not have been made if this statement had not been made, it is material, otherwise not. The general rule is, that the statements in the application on a separate sheet have the effect only of representations, and do not avoid the policy unless void in a material point, or unless the policy makes them specially a part of itself, and gives them the effect of warranties.

A representation may be more certainly and precisely proved if in writing, but it will have its whole force and effect if only oral.

In some instances, by the terms of the policies, any misrepresentations or concealments avoid the policy. And it is held that the parties have a right to make such a bargain, and that it is binding upon them; and the effect of it would seem to be to give to representations the force and influence of warranties.

There seems to be this difference between marine policies and fire policies. In the former, a material misrepresentation avoids the policy, although innocently made; in the latter, it has this effect only when it is fraudulent. This distinction seems to rest upon the greater capability, and therefore greater obligation, of the insurers against fire to acquaint themselves fully with all the particulars which enter into the risk. For they may do this either by the survey and examination of an agent, or by specific and minute inquiries. If a *warranty* is broken, however innocently, it avoids all policies, whether material or not.

The question whether a statement which is relied upon as a representation be material, and whether there is or has been a substantial compliance with it (for this is all the law requires), seems to be for the jury rather than for the court. But it is not unfrequently determined by the court, as matter of law. And if the jury find the representation to be material, and to be false, the consequence follows as matter of law, and the policy is avoided.

Concealment is the converse of representation. The insured is bound to

state all that he knows himself, and all that it imports the insurer to know, for the purpose of estimating accurately the risk he assumes. A suppression of the truth has the same effect as an expression of what is false. And the rule as to materiality and a substantial compliance is the same. And we know no reason why the distinction above mentioned between fire policies and marine policies as to representation, should not be made, for the same reason, in regard to concealment. Indeed, in one respect adjudication has gone somewhat further. Where the by-laws of a company provide that a surveyor should always examine, report, etc., and there was a material concealment by the insured, the court say it was the duty of the insurers to examine for themselves, and their neglect shall not be permitted to operate to the injury of the insured; and the judge, delivering the opinion, adds: "I will never agree to extend to them (mutual fire insurance companies) the law as it has been settled in cases of marine insurance."

In another case, the plaintiff owned one of several warehouses, next but one to a boat-builder's shop which took fire, and on the same evening, after it was apparently extinguished, sent instructions to his agent, by extraordinary conveyance, for insuring that warehouse, without apprising the insurers of the neighboring fire. It was held that, although the terms of the insurance did not expressly require the communication of this fact, the concealment avoided the policy. In another, where, pending the negotiations for a policy, the insurers expressed an objection to insuring property in the vicinity of gambling establishments, and the applicant knew at the time that there was one on the premises, it was held that, if in the opinion of the jury the risk was materially increased by such occupancy, the policy should be avoided. So it seems that the fact that a particular individual had threatened to burn the premises in revenge for a supposed injury, should be disclosed to the insurer. And even the rumor of an attempt to set fire to a neighboring building should be communicated; because the insurer should be informed of any unusual fact, or any use of the building materially enhancing the risk.

Where the plaintiffs underwrote a policy on the household goods and stock in trade of a party, and after being informed that the character of the insured was bad, that he had been insured and twice burnt out, that there had been difficulty in respect to his losses, and he was in bad repute with the insurance offices, effected a reinsurance with the defendants without communicating these facts, and the property insured was shortly after destroyed by fire; it was held that there had been a material concealment, which avoided the policy, and whether occasioned by mistake or design was immaterial.

A pending litigation, affecting the premises insured, and not communicated will not vitiate the policy.

Insurers must be understood as knowing all those matters of common information, that are as much within their reach as in that of the insured; and these need not be especially stated. But any special circumstance, as a great number of fires in the neighborhood, and the probability or belief that incendiaries were at work, should certainly be communicated; and silence on such a point—especially if the place of business of the insurers was at a considerable distance from the premises—would operate as a fraud, and avoid the policy. And any questions asked must be answered, and all answers must be as full and precise as the question requires. If there were a provision in the policy, that a certain fact, if existing, must be stated, silence in reference to it would be fatal, however immaterial the fact. Concealment in an answer to a specific question can seldom or never be justified by showing that it was not material. Thus, in general,

nothing need be said about title. But if it be inquired about, full and accurate answers must be made.

Where the insurance company has, by the terms of the policy, a lien upon or interest in the premises insured, to secure the premium note, here it is obvious that any concealment of encumbrance or defect of title would operate as a fraud, and defeat the policy. But in all such cases it is probable that specific questions are put respecting the estate and title of the insured.

A requirement that all buildings standing within a certain distance of the property insured should be stated, might not always be considered as applicable to personal and movable property. Still, an insurance of chattels, described as in a certain place or building, would be held to amount to a warranty that they should remain there; or rather it would not cover them if removed into another place or building, unless, by some appropriate phraseology, the parties expressed their intention that the insured was to be protected as to this property wherever it might be situated. It is not uncommon to insure goods in course of transit against fire; but them it is usual to name the places from which and to which the goods are passing.

COMMERCIAL CHRONICLE AND REVIEW.

Public Debt Statement—Necessity for Publicity—Large Balance of Currency—Business for May—Monetary Affairs—Movement of Coin and Bullion—Prices of Gold—Course of Governments, Exchange, etc.

The advantages of publicity in reference to the doings of the National Treasury have just received a conspicuous illustration. For some weeks past indications of a positive character seemed to show that currency was being withdrawn from the circulation and locked up in Treasury vaults to so large an extent, and with such rapidity, that the withdrawal cramped business, checked the symptoms of recovery which were making incipient efforts to develop themselves, and at almost any other time of the year might have produced a temporary panic. The proofs that something wrong was going on were talked over in financial circles, and they were freely canvassed by the press; but if we had had no such means of auditing Mr. McCulloch's accounts as the monthly debt statement affords, we should still have been comparatively in the dark. As it is we know pretty fully the extent of the mischief; and in this case as in ten thousand others, to know the evil is to cure it. Rarely, indeed, have the doings of the Treasury for a single month presented so many serious anomalies, or been so difficult of vindication. By our comparative tables which occupy their usual place on another page, it will be seen that the currency balance in the Treasury has increased $38,827,606, or more than a million a day on the average. The paralysis produced in business by locking up currency in large amounts, and suddenly abstracting it from the current of the circulation, have been often shown since the memorable occasion when Mr. Chase in 1864, "to knock gold down," was induced against his better judgment to adopt this mischievous expedient and brought on a panic in which more than a hundred millions of private property are estimated to have been sacrificed. The influence conferred by the control of the volume of our paper money, and the absolute power it gives over the movements of business, the course of prices, the fortunes of private citizens

the rise or fall of stocks, produce, merchandise of every kind—all this power is too much to be placed in hands where it can be exercised even for a few weeks in secret. The eye of the public should be ever on the movements of the currency, the increase or decrease which constitute, as it were, the thermometer of prices, the regulator of values, the standard measure controlling all exchanges between buyer and seller.

But the value of publicity is only one of the lessons taught us by the June statement of the National debt. The current of the circulating money having been depleted some 40 millions—how has it been done? The taxes paid into the Internal Revenue Department were not sufficient, if not a dollar had been disbursed. How, then, has Mr. McCulloch effected the transfer of 40 millions from the pockets of the people to the vaults of the Treasury? A glance at the official table answers the question. He has converted and sold for cash more than 61 millions of Five-twenty bonds, and has sold them at a low price in order to attract buyers, and to get rid of them at the average of two millions a day. He has made a concession in price in order to stimulate purchases. That the Secretary has sold these bonds for less than they would have fetched if they had not been hurried into the market is proved by the fact that during the three or four days which have elapsed since he stopped selling, the price has gone up ½ per cent. This ½ per cent might apparently have been gained for the Treasury had not so much urgency been used in getting in the currency rapidly, and had the sales of the new Five-twenty long bonds been allowed to run on gradually to 40 or 45 millions, to correspond with short obligations withdrawn, instead of being forced up to the extraordinary figure of 61 millions in four weeks. Thirdly, we may enquire why this sacrifice has been submitted to. For what purpose has so much currency been hoarded up by a costly and mischievous process? To what pressing emergency is it due that not only 8 per cent interest is paid for immense sums of money to be kept idle in the Government coffers, but that the ordinary balance is swelled by the sale of bonds for cash at a sacrifice? The accumulation cannot be necessary for the extraordinary payments on account of Compounds and Seven-thirties. For, as we showed last week, these payments during the entire months of June and July will require but 40 millions, all of which Congress was careful to provide for by directing that the annual taxes should be paid earlier than usual this year. We do not offer any explanation of the problem. The following extract from the *New York Times* gives a fair view of what is thought of the affair by those who usually approve and support Mr. McCulloch's general policy:

> The finances of the month have the appearance of gross improvidence, eventuating in a currency balance at the close of the month almost double that of the 30th April—the result, we take it, of large sales of United States Five-twenties in the excess of the ability of the Treasury to re-invest the proceeds in Seven thirties or Compounds. The difference is over twenty millions, and the effect has fallen chiefly, week by week, on the New York money market, and in a two-fold measure—first, by locking up this excess in the currency in the Treasury, and secondly by making the brokers in the public funds, both great and small, the principal borrowers of money at bank and on the street, at extreme rates of interest, in their extreme competition as buyers at the Treasury, and their anxiety to turn a trifling rate of commission on large sums. That this state of things should not have been realized at Washington until the close of the month, or rather until the very day (June 3 or 4) of

making up the monthly schedule of the public debt, is not only surprising, but the subject of mortification, we have no doubt, to the Secretary of the Treasury, as well as a useful lesson for his future government in funding his temporary obligations. We feel quite sure the blunder will not be repeated, and to guard more strictly against its recurrence, it is to be hoped that less latitude will be allowed in future as between the daily sales or engagements and exchanges of the Five-twenties, and the purchase and exchange of Seven-thirties and Compounds. The eager and persistent applications of the brokers in government securities in May, to engage the Five-twenties in advance of their own sales, have undoubtedly wrought the present discrepancy. It was not the result of favoritism as between the large and smaller brokers in government securities, we dare say. It is more likely that the excessive sales of Five-twenties were run up by the anxiety of the officials of the Treasury to accommodate all parties, and to avoid even the semblance to partaility.

We repeat that we do not venture any solution of our own to this singular anomaly. It is well that by the publicity to which the Treasury doings are subjected the mistake was so soon discovered, and that the unnecessary mischief which might otherwise have been done has been averted.

The course of business during May has varied but little from what we have noted during several months past. Trade has been generally depressed, and the results of operations unsatisfactory. Merchants are beginning to comprehend that the present state of business is due, in a great part, to a general reaction from high prices, and are adapting their operations to the existing position of affairs, buying with extreme caution and carrying the lightest possible stocks. The tendency of this course of action is, evidently, to further precipitate the decline in prices; and on many classes of merchandise, especially dry goods, that result has been more or less observable.

Monetary affairs have, during the greater part of the month, shown a very decided tendency toward ease. There has been a steady flow of currency from the interior, and capital which has left active employment, owing to the risks peculiar to the times, has sought temporary investment in the public funds, causing an unusual firmness in National securities. But for the operations of the Treasury, this movement must have produced an extreme ease in money.

The following are the rates of loans and discounts for the month of May:

RATES OF LOANS AND DISCOUNTS.

	May 3.	May 10.	May 17.	May 24.	May 31.
Call loans	4 @ 6	4 @ 5	4 @ 5	4 @ 5	4 @ 5
Loans on Bonds and Mortgage	6 @ 7	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos.	6½@ 7	6 @ 7	6 @ 7	6 @ 6½	6 @ 6½
Good endorsed bills, 3 & 4 mos.	7½@ 8	6½@ 7½	6½@ 7½	6½@ 7½	6½@ 7½
" " single names.	8 @ 9	8 @ 9	8 @ 9	7½@ 9	7½@ 9
Lower grades	10 @18	10 @15	10 @15	10 @15	10 @15

The Secretary of the Treasury, however, in preparation for the semi-annual interest on the June and July series of Seven-thirties, and for the redemption of June and July Compound Notes, has found it necessary to largely increase its balances by the sale of bonds of Sixty-five and of gold. In consequence of these operations, the balances in the Sub-Treasury have increased from $113,000,000 on May 1 to $130,000,000 on the 30th; which, considering that about $18,000,000 of coin interest has been paid out, while probably only $5,000,000 of the customs receivable have remained unsold, would show that nearly $30,000,000 of currency has been taken from circulation into the Treasury. This

movement has caused at the end of the month a partial stringency, and the rate on demand loans closes at 6@7 per cent. There has been considerable irregularity in connection with cotton bills, some important houses in that trade, on both sides the Atlantic, having failed; while there is much protested paper of firms not yet announced as having actually suspended. This condition of things appears to be due, to a large extent, to the reported refusal of the Bank of England to discount American cotton paper, a course which it is difficult to explain simply on grounds of banking prudence, but which may perhaps be accounted for from a peculiar regard in the Bank direction for Manchester interests.

The gold premium has been, upon the whole, firmer than last month. The balance of current maturing obligations has been against the United States, principally, it would seem in consequence of the payment of the Five twenty coupons due to foreign holders, and over eight millions of specie have been shipped during the month. The demand for export has been partially met by sales from the Sub-Treasury; but still the premium has advanced from 135 at the opening of May to 138¾ later.

The imports and exports of coin and bullion at the port of New York for the first quarter of the current year, and for the months of April and May, and since January 1, have been as shown in the following statement.

IMPORT AND EXPORT OF COIN AND BULLION.

	First Quarter.	April.	May.	Since Jan. 1.
Receipts from California	$6,109,861	$3,149,654	$1,181,128	$16,440.643
Imports from foreign ports	409,077	271,710	376,725	1,057,512
Total receipts	$6,518,938	$3,421,364	$1,557,853	$11,498,155
Exports to foreign ports	6,566,958	2,261,283	9,043,154	17,871,395
Excess of imports	.....	$1,160 081	$....	$.....
Excess of exports	$48,020	.....	7,485,301	6,373,240

The following statement shows the amount of receipts and exports in May and since January 1, for the last seven years:

	California Receipts		Foreign Imports		Foreign Exports	
	May.	Since Jan. 1.	May.	Since Jan. 1.	May.	Since Jan. 1.
1867	$1,181,128	$10,440,643	$312,000	$992,787	$8,307,000	$17,135,241
1866	3,992,148	14,578,574	393,073	1,085,637	23,744,194	29,891,474
1865	1,257,651	8,191,843	177,085	815,791	7,255,071	12,716,218
1864	933,770	5,089,620	660,092	1,280,283	6,460,930	22,619,612
1863	776,122	6,487,737	197,217	743,771	2,115,675	19,264,189
1862	1,939,771	10,070,968	110,388	450,532	5,164,636	18,108,787
1861	1,977,877	15,118,025	3,486,812	20,522,515	128,9 0	3,005,196

The movement of specie at this port during the month shows that six millions have been received from unreported sources, the bulk undoubtedly having been derived from sales of gold by the Treasury. For the first five months of the year the movement shows a supply from sources of which there is no record, amounting to $32,727,232, most of which, it is to be presumed, has come from Government sales.

GENERAL MOVEMENT OF COIN AND BULLION.

	1st quarter.	April.	May.	Since Jan. 1.
In banks near 1st	$13,185,222	$8,522,609	$7,404,304	$13,185,222
Receipts from California	6,109,861	3,149,654	1,181,128	10,440,643
Imports of coin and bullion	409,077	271,710	376,725	1,057,512
Coin interest paid	10,838,303	247,626	16,308,317	27,394,246
Total reported supply	$30,542,463	$12,191,599	$25,270,474	$52,077,623

Export of coin and bullion	$6,566,958	$2,261,283	$9,043,154	$17,871,395
Customs duties	33,170,629	9,511,075	9,634,697	52,316,400
Total withdrawn	$39,737,586	$11,772,358	$18,677,851	$70,187,895
Excess of reported supply	$	$419,241	$6,592,623	$
Excess of withdrawals	9,195,123			18,110,172
Specie in banks at close	8,522,609	7,404,304	14,617,060	14,617,060
Derived from unreported sources	$17,717,732	$6,985,063	$8,024,437	$32,727,232

COURSE OF GOLD AT NEW YORK, MAY, 1867.

Date.	Open'g	Lowest	High'st	Closing	Date.	Open'g	Lowest	High'st	Closing
Wednesday 1	135½	135	135⅞	135¾	Tuesday 21	137½	137	137⅝	137¾
Thursday 2	135⅞	135¼	135⅝	135⅛	Wednesday 22	138	137⅞	138⅛	138⅛
Friday 3	135⅜	135¼	136⅜	136⅛	Thursday 23	138⅞	138½	138⅞	138½
Saturday 4	136⅛	135⅞	136½	136	Friday 24	138⅛	137½	138⅛	137½
Sunday 5	....	....	....	....	Saturday 25	137⅝	137	137½	137
Monday 6	135¾	135¾	137⅜	137⅛	Sunday 26	....	....	....	....
Tuesday 7	137⅞	137½	138⅜	137⅝	Monday 27	136⅞	136½	137½	137
Wednesday 8	138¾	137½	138⅜	137⅞	Tuesday 28	136¾	136¾	137½	136⅞
Thursday 9	138¾	136¾	138¾	137	Wednesday 29	137	137	137½	137½
Friday 10	136⅞	136⅞	137½	137½	Thursday 30	137¾	137½	137½	137½
Saturday 11	136½	135½	136⅞	135¾	Friday 31	136⅞	136¾	137½	136⅞
Sunday 12	....	....	....	....					
Monday 13	135½	135¼	135¾	135¾	May 1867	135⅞	135	138⅞	138⅞
Tuesday 14	135⅝	135¾	137⅛	137½	" 1866	125½	125½	141⅜	140¾
Wednesday 15	136½	136⅜	137¾	136⅞	" 1865	145⅛	128⅜	145⅜	137
Thursday 16	137	137	137⅜	137¼	" 1864	177	168	190	190
Friday 17	137½	136⅞	137½	137½	" 1863	151	143½	154¾	145
Saturday 18	137½	136¾	137½	136¾	" 1862	102¾	102¾	104½	103⅛
Sunday 19	....	....	....	....					
Monday 20	136¾	136⅝	137¼	137¼	S'ce Jan. 1, 1867	132⅞	132½	141⅝	136⅞

Business at the stock boards has been dull, and lower prices have prevailed. There has been a marked absence of that interest in speculative operations by the outside public which generally exists at this period of the year, and transactions have been almost entirely on brokers' own account. The total number of shares sold at both boards, during the month, has been 1,678,699, against 2,113,581 for April, and 2,514,451 for May, 1866.

VOLUME OF SHARES SOLD AT THE STOCK BOARDS, MAY, 1867.

	January.	February.	March.	April.	May.	5 mos.
Bank shares	2,461	1,929	3,425	3,518	4,051	15,384
Railroad "	2,200,510	1,282,251	1,597,017	1,888,205	1,468,041	8,426,034
Coal "	24,286	10,369	33,145	8,368	7,515	83,683
Mining "	65,375	29,980	28,502	36,050	18,930	178,837
Improv'nt "	20,344	18,950	41,975	30,000	41,900	153,169
Telegraph "	40,501	33,857	34,615	57,275	42,671	217,919
Steamship "	56,504	91,618	80,561	78,037	61,180	367,900
Expr'ss&c "	4,703	6,409	6,562	12,128	34,411	64,213
At Exchange Board	765,359	634,121	672,926	820,157	642,614	3,535,177
At Open Board	1,658,325	841,242	1,152,876	1,293,424	1,036,085	5,981,952
Total 1867	2,423,684	1,475,363	1,825,802	2,113,581	1,678,699	9,517,129
Total 1866	2,459,817	1,743,431	1,968,839	1,754,439	2,514,451	10,441,377

United States securities have showed unusual activity. The amount of idle funds coming into the market has been exceptionally large, and the owners have shown a decided preference for Governments as a means of temporarily employing this capital. At the same time, Five-twenties have been firm in the foreign markets, and a moderate amount has been exported, which has further contributed to sustain prices. From a subjoined statement it will be seen that the sales at the Exchange show a large increase upon preceding months.

The amount of Government bonds and notes, State and City bonds, and com

pany bonds, sold at the Stock Exchange board in each of the past five months, and the total since Jan. 1, is given in the table which follows:

VOLUME OF BONDS, &C., SOLD AT THE EXCHANGE BOARD, MAY, 1867.

	January.	February.	March.	April.	May.	5 months.
U. S Bonds	$6,863,300	$6,150,300	$5,6?9,050	$10,118,800	$16,226,800	$45,048,250
U. S. Notes	1,988,200	1,764,850	1,089,430	1,122,150	1, 30,100	7,044,730
S. & City B'ds	2,524,800	2,422,800	3,936,500	2,1?7,460	2,863,300	13,864,800
Co'y Bonds	732,500	752,200	731,500	680,400	930,300	3,826,900
Total, 1867	$12,108,800	$11,090,150	$11,396,480	$14,?38,750	$ 1,150,500	$69 784,680
" 1866	12,155,700	f 822,060	10,622,840	12,056,150	12,279,450	56,936,140

The following are the closing quotations at the regular board each Friday of the last seven weeks:

	April 12.	Apr. 26.	May 3.	May 10.	May 17.	May 24.	May 3?.
Cumberland Coal	29½	30½	....	31	....	30	....
Quicksilver	29	28¾	29¾	....	27	25	25
Canton Co.	42	42½	44	43	..	41¼	43
Mariposa pref	....	20½	....	19½	....	17¾	....
New York Central	97½	97¾	98¼	97⅞	97¼	97	98⅜
Erie	55¾	58⅜	63¼	63¼	62½	58¾	58⅜
Hudson River	....	91⅜	96⅜	97⅜	100½	100	102
Reading	99¾	102½	104	103¼	103	102¾	103⅜
Michigan Southern	66¾	67¾	68⅞	67¾	67⅛	66¾	68⅜
Michigan Central	107¾	....	108¾	....	109½	....	....
Cleveland and Pittsburg	69¾	70	72¾	....	72¾	71½	75
Cleveland and Toledo	112	112½	113	113	113	....	....
Northwestern	?1½	33⅜	35½	34⅞	?4¼	31½	33½
" preferred	57⅞	59½	62	60⅜	59⅜	56¾	57⅞
Rock Island	85⅛	?8?⅛	89⅞	89½	88¾	87½	87⅞
Fort Wayne	9?¾	93¾	97⅜	96⅜	96¾	95	96⅜
Illinois Central	113⅝	11?¾	113¾	114	114½	115	115¾

The daily closing prices of the principal government securities are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK, MAY, 1867.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, (5-20 yrs.) 1862.	6's, (5-20 yrs.) 1864.	6's, (5-20 yrs.) 1865.	Coupon— new.	5's, 10-40 yrs. Coup.	7-30s 1867.
Wednesday 1	110¾	110¾	x107¾	x105¼	x105¾	107⅝	99¼	....
Thursday 2	110⅝	110⅝	107⅜	105⅛	105⅝	107⅝	99	106¾
Friday 3	....	110¾	107¾	105⅜	105⅞	107⅜	99¼	106¼
Saturday 4	110⅝	....	107⅜	105¼	106	107⅝	.	.....
Sunday 5	....	....	....	....	....	....	....	....
Monday 6	111	110¾	10 ⅞	105⅜	106⅛	107⅝	99¾	....
Tuesday 7	111¼	111⅛	107⅜	105⅜	106	107¾	99⅝	106⅜
Wednesday 8	111⅜	....	107⅜	105⅜	105⅞	107⅜	99¾	106¼
Thursday 9	111⅜	111⅛	107⅜	105⅜	106	107⅜	99¾	106¼
Friday 10	111⅜	....	108	105¼	106	107⅜	99¾	106¼
Saturday 11	111⅛	111⅛	108⅛	105⅛	106¼	107⅜	99⅝	.....
Sunday 12	....	....	....	....	....	....	....	....
Monday 13	111⅛	111⅛	109	105⅛	106¼	108	99¾	....
Tuesday 14	....	....	108¾	105⅛	106⅜	108	99¾	106¼
Wednesday 15	111⅛	.....	109⅛	105⅜	106⅜	108	99⅝	.....
Thursday 16	111⅛	.....	109⅛	105⅜	106⅜	108	99⅝	.....
Friday 17	111⅛	.....	109¼	105⅜	106¼	108	....	.....
Saturday 18	.....	.....	108¾	105⅝	106¼	107¾	.....	106¼
Sunday 19	....	....	....	....	....	....	....	....
Monday 20	111¼	111⅛	109¼	105⅜	106¼	108	.....	106¼
Tuesday 21	.....	.....	109¼	105⅛	106⅜	108⅛	.....	106⅝
Wednesday 22	112	.. ..	109¾	105⅞	106¾	108⅛	99¾	.....
Thursday 23	.....	112	109¾	106	106⅝	108⅛	99¾	.....
Friday 24	112	111⅝	109⅛	106	106¾	108⅛	99¾	....
Saturday 25	111¼	.....	109¾	105⅞	106⅜	108	99¾	.....
Sunday 26	....	....	....	....	....	....	....	....
Monday 27	111⅝	.....	109⅜	05¾	106⅜	108⅛	.....	106¾
Tuesday 28	.....	.....	109⅜	105¾	106⅜	1 8⅛	99⅜	106¾
Wednesday 29	111⅜	... .	109⅛	105¾	2 6⅜	108	.....	106¾
Thursday 30	111⅜	.....	109¾	.....	.....	1 8	99⅜	106⅜
Friday 31	.....	.....	109¼	105¼	106¾	108	99⅜	.....
First	110¾	110¾	107¾	105¼	105¾	107⅝	99¾	106⅜
Lowest	110¾	110⅜	107⅛	105⅛	105⅜	107⅜	99	106⅛
Highest	112	112	109¾	106	106¾	108⅛	99⅞	106¾
Range	1⅛	1⅜	2⅝	⅞	1⅜	⅜	⅞	⅜
Latest	111¾	111⅝	109¼	105⅜	106⅞	108	99⅜	106⅛

The quotations for three-years compound interest notes on each Thursday of the month have been as shown in the following statement:

PRICES OF COMPOUND INTEREST NOTES AT NEW YORK, MAY, 1867.

Issue of	May 2.	May 9.	May 16.	May 23.	May 30.
June, 1864.....	119 @119¼	119 @119¼	119 @119¼	119¼@119¾	119¼@119¾
July, 1864.....	118⅜@118⅝	118⅜@118⅝	118⅜@118⅝	118⅜@118⅞	118⅜@118⅞
August, 1864....	118 @118¼	118 @118¼	118 @118¼	118⅛@118⅜	118⅛@118⅜
October, 1864....	117 @117⅛	117 @117⅛	117 @117⅛	117⅛@117⅜	117⅛@117⅜
December, 1864..	116 @116¼	116 @116¼	116 @116	116¼@116⅜	116¼@116⅜
May, 1865.....	113⅝@113⅞	114 @114¼	114¼@114¼	115⅛@115⅜	115⅛@115⅜
August, 1865	112⅝@112⅞	113 @113¼	113¼@113⅜	114⅛@114¼	114⅛@114¼
September, 1865.	111⅝@111⅞	112⅛@112⅜	112⅜@113	114 @114¼	114 @114¼
October, 1865....	111⅛@111⅜	112 @112¼	1 2¼@112⅝	113⅛@113⅜	113⅛@113⅜

The first series of figures represents the buying and the last the selling prices at first-class brokers' offices.

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—MAY, 1867.

Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities. U. S. 5-20s	Ill. C. sh's.	Erie sh's.
Wednesday..... 1	(holl	day.)			Sunday.....19	....	....	....	....
Thursday 2	91¼	71¾	75¾	42½	Monday.....20	93	72¾	76¾	42¾
Friday 3	91	71¾	75¾	42	Tuesday.....21	93	72¾	76¾	42¾
Saturday 4	91¼	71¾	75¾	42	Wednesday 22	93	72⅝	76⅝	42¾
Sunday..... 5	....	....	....	....	Thursday 23	93¼	72	75¾	41
Monday..... 6	91⅛	71¾	75¾	42⅛	Friday..... 24	93⅜	72¼	76¼	41
Tuesday 7	91¼	71⅛	75¼	41¼	Saturday.....25	93¼	72¾	76¼	39¼
Wednesday 8	90¾	71¼	75¼	40¾	Sunday 26	....	....	....	....
Thursday..... 9	91¼	71⅜	75¼	41¾	Monday..... 27	93¼	72¾	76	39½
Friday 10	92	72¼	76	42¾	Tuesday 28	93⅛	72⅛	76¼	39¾
Saturday.....11	92	72½	75⅝	43	Wednesday 29	94	72⅝	76½	40
Sunday.....12	....	....	....	....	Thursday 30	94⅛	73¾	76¾	40
Monday.....13	92	72¼	76⅛	42¼	Friday..... 31	95⅛	73¾	77	40
Tuesday..... 14	92	72⅛	76¼	42¼					
Wednesday 15	92¼	72½	76¼	42¼	Highest.....	95¾	73¾	76¾	43
Thursday 16	92¼	72¼	77¼	42¼	Lowest.....	91	71¾	75¼	39¼
Friday 17	92¼	72¼	76¼	42¼	Range.....	4¾	1¾	1½	3¾
Saturday 18	92¼	72¾	76⅛	42¼	Lowest since Jan. 1	90	67¾	72⅛	35¾

The lowest and highest quotations for United States 6's (5 20 years) of 1862, at Paris and Frankfort, in the weeks ending Thursday, have been as follows:

	May 2.	May 9.	May 16.	May 23.	May 30.
Paris.....	@80¼	..@..	..@..	..@..	..@..
Frankfort.....	.76¼@76½	76⅜@76⅝	77⅛@77⅜	76⅝@77¼	77⅜@77¾

There has been no report from Paris since the 1st of May.

Foreign Exchange has ruled for the greater part of the month at the specie shipping point. The large amount falling due on account of Five-twenty coupons held by foreigners, together with the failure of Frazer, Trenholm & Co Liverpool, have been the principal causes of the firmness of the market. Toward the close of the month, the market experienced some relief from the offerings of bills against the sale of iron-clads to the French Government; but upon the reduction of the Bank of England rate of interest to 2½ per cent, prime 60 days' sterling bills advanced to 110@¼.

COURSE OF FOREIGN EXCHANGE (60 DAYS)—MAY, 1867.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....	109¾@109⅞	520 @515	40¾@41¾	78¾@79	36 @36⅛	71¾@72¼
2.....	109⅛@109¾	517½@513¾	41⅛@41½	79 @79¼	36¼@36½	72¼@72½
3.....	109⅛@109¾	517½@512½	40⅞@41½	78¾@79	36¼@36¼	72 @72¼
4.....	109⅛@108¾	520 @515	40⅞@41¾	78¾@79¼	36½@36½	72 @72¼
5.....	....	....	....	....	....	....
6.....	109⅛@109¾	515 @512½	41½@41¾	79 @79¼	36¼@36½	72¼@72½
7.....	109⅛@109¾	520 @515	41 @41½	78¾@79¼	36¼@36½	72 @72½
8.....	109⅛@109¾	520 @515	41 @41½	78¾@79	36¼@36½	72 @72½
9.....	109⅛@109¾	517½@515	41¼@41⅝	78¾@79¼	36¼@36⅝	72½@72¾
10.....	109¾@109⅞	515 @512½	41¼@41⅝	78¾@79¼	36¼@36¾	72½@72¾
11.....	109¾@109⅞	520 @515	40⅞@41⅝	78¾@79¼	36 @36½	72 @72½

12						
13	109¾@109¾	520 @513¾	41 @41½	78¾@79½	36¼@36½	72¼@72¾
14	109⅝@109¾	512½@510	41¾@41½	79 @79½	36½@36½	72⅜@72¾
15	109¾@109¾	518¾@512½	41¾@41½	79 @79¼	36¼@36½	72⅜@72¾
16	109¾@110	512½@511¾	41¾@41½	79¼@79¾	36¾@36½	72¼@72¾
17	109¾@109¾	512½@511¾	41¾@41½	79¼@79¾	36¼@36½	72¾@72¾
18	109¾@109¾	518¾@512¾	41 @41¾	79¾@80	36¼@36½	72¼@72¾
19						
20	109¾@109¾	518¾@512¾	41 @41½	79¾@8	36¼@36½	72¼@72¾
21	109¾@109¾	518¾@512½	41 @41½	79¾@80	36¼@36½	72¼@72¾
22	109¾@109¾	518¾@512¾	41 @41½	79¼@79¾	36½@36½	72¾@72¾
23	109¾@109¾	512½@511¾	41¼@41½	79¼@80	36¼@36½	72¼@72¾
24	109¾@109¾	512¼@511¾	41¼@41½	79¾@80	36¾@36½	72¾@72¾
25	109¾@109¾	517¾@512¾	41½@41½	79¾@79¾	36¾@36½	72¼@72¾
26						
27	109¾@109¾	512½@511¾	41¼@41½	79¼@80	36¾@36½	72¼@72½
28	109¾@110	512½@511¾	41¾@41½	79¼@80	36¾@36½	72¼@72½
29	109¾@110	512¼@511¾	41¾@41½	79¾@80	36¾@36½	72½@72½
30	109¾@110	512¼@511¾	41¾@41½	79¾@80	36¾@36½	72¾@72½
31	109¾@110	512¼@511¾	41¾@41½	79¼@80	36½@36½	72¾@72½
May	109¾@110	520 @510	40¾@41½	78¾@80	36 @36½	71¾@72¾
Apr	108¾@10 ¾	522¾@512¾	40¾@41¼	78¾@79¾	35¾@36¾	71¾@72¾
Mar	108 @109¼	525 @515	40¾@41¾	78 @79¼	35¾@36¾	71½@72½
Feb	108¾@109	522½@515	40¾@41¾	78¾@79¾	36 @36½	71½@72¾
Jan	108¾@109¾	520 @513¾	41¼@41¾	78¾@79¾	36¼@36¾	72 @72¾
Since Jan. 1	108 @110	525 @510	40¾@41½	78 @80	35¾@36¾	71¾@72¾

Short Exchange on London has ranged from 110 to 110.¾

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Return of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5	$257,852,460	12,794,892	32,762,779	202,533,564	65,026,121	486,987,787
January 12	258,935,488	14,613,477	32,825,103	202,517,608	63,246,370	605,132,006
January 19	255,032,223	15,365,207	32,854,928	201,500,115	63,235,386	520,040,028
January 26	251,674,80	16,014,007	32,957,198	197,952 076	63,426,559	568.822,8 4
February 2	251,264,355	16,332,98	32,995,347	200,511,596	65,944,541	512,407,258
February 9	250,268,825	16,157,257	32,777, 00	198,241,835	67,628,992	508,825,532
Febru'ry16	253,131,328	14,794,626	32,956,309	196,072,292	64,642,940	455,833,829
Febru'ry23	257,823,994	13,513,456	33,006,141	198,420,347	63,153,895	443,574,086
March 2	26 ,156,436	11,579,881	33,294,433	198,018,914	6 ,014 195	46 ,534,5 9
March 9	262,1 1,458	10,868,1 2	33,409,81	200,2 3,527	64,523,440	544,173,256
March 16	263.0 2,972	9,963,722	3 ,4 6,68	197,958, 04	62,813 039	496,558, 19
March 23	259,400,315	9, 43,913	33,519,401	19 ,375,6 5	60,904,958	472, 02,3 8
March 30	55, 82,364	,524,6 9	33,669,195	188,48 ,250	62,459,811	459,850,602
April 6	254,470,027	8,138,81	33,774,573	183,861,269	59,021,775	531,835,184
April 13	250,102,178	8,856,229	33 702,047	182,861,236	60,204,515	525,933,462
April 20	247,561,731	7,622,535	33,648,571	184,090,256	64,096,916	447,814,375
April 27	247,737,881	7,404,304	33,601,285	187,674 341	67,920,351	446,484,422
May 4	250,871,558	9,902,177	33,571,747	195,721,072	70,587,407	559,860,118
May 11	253,682,829	14,95 ,590	33,595,869	200,342,832	67,996,639	524 319,769
May 18	257,961,874	15,567,252	33,63 ,301	201,436,854	68,828,501	503,675,79
May 25	256,091,805	14,088,667	33,697,252	193,673,345	60,562,440	431,732,62

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5	$20,209 064	52,3 2,317	903,663	10,388,820	41,308,327
January 12	20,006.255	52,528 491	903.320	10,380,577	41,023,421
January 19	19,448,099	53,45 307	877,548	10,381,595	30,048,645
January 26	19,363,374	52.168,473	880,582	10,384,683	39,001,779
February 2	19,269,128	55,55 ,130	871,564	10,430,8 8	39,592,712
February 9	19,659,250	52,384.329	873,614	10.449,982	39,81 ,595
Febru'ry16	18,892,747	52,573,130	867,110	10,522,972	40,050,717
Febru'ry23	17,887,598	52,394,721	841,223	10,536,434	38,646,013
March 2	18,150,657	51, 79,173	816,843	10,5 1,600	39,367,388
March 9	17,52 ,705	51,851,463	832,055	10,572,068	37,314,672
March 16	16,955,6 3	50,5 8,294	858,022	10,580,911	3 ,826,001

March 23	16,071,780	50,572,490	807,4 8	10,611,987	34,5-1.545
March 30	15,856,948	50.860,306	602,148	10,631,532	34,150,285
April 6	15,882,745	50,998,231	64,719	10,651,615	33,796,595
April 13	16,188,407	51,283,776	546 625	10,645,367	34,827,683
April 20	16,582,296	51,611,44	485,535	10,647,234	35,820,580
April 27	6,737,-01	51,890,950	382,817	10,638,021	36,284,870
May 4	17,196,558	53,054,267	386,053	10,639,693	37,371,064
May 11	17,278,919	53,474,388	408,762	10,627,953	38,172,169
May 18	16,770,491	53,826,320	402,978	10,630,831	38,230,833
May 25	16.019,180	53,536,170	369,133	10,635,520	37,778,783

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation—National.	Circulation—State.
January 7	$97,009,-42	1,183,451	17,033,387	40,824,618	24.580.367	312 664
January 14	98 4 1,778	1,334.800	16,829. 95	40,246,216	24.997,446	311,749
January 21	95,-98,982	1,078.160	16,59 ,.99	38,679,604	24.275.162	301,911
January 28	97.891,329	1,058.329	16,816,481	39,219,241	24,716,597	302,298
February 4	97,712,461	956,569	16,394,604	39,708,053	24,691.075	306,014
Febru ry11	97,264.162	873,396	1 ,102,479	39,474,359	24,686.663	305,603
Febru'ry18	96,949,4-3	929,940	15,398,333	38,900.5 0	24,765,420	305,60
Febru'ry25	95.33 ,900	779,-02	15,741,046	37,893,963	24.953,605	303,228
Mar h 4	95,05 ,727	958,887	1 ,9-8,103	38,316.573	24,675,767	301,430
March 11	2.078,975	695,417	15,-19,479	36,712,052	24,346.631	89,5 8
March 18	93.156,4-6	5-8,-94	16.270,979	36,751,733	24,809,523	299,133
M.rch 5	92,661,060	516.184	16,557,905	36,751.725	24,738.722	299 091
April 1	91,723,34	435,113	17, 12,423	37,056,388	24,843 376	296,025
April 8	91,679,549	456,751	16,860,418	37,258,775	24,851,522	296,011
April 5	91.712,414	3-6.343	16,815,355	37,218.525	24,838,819	287,205
April 22	92,472,815	343,712	16.540,598	38,207.548	24,852,200	286,701
April 29	92,353,922	329,854	16 9 36,564	37,837,092	24.81 ,437	284,982
May 6	92,671,149	5-9,878	16.571,736	38,721,769	24 784,332	283,806
May 13	92,428,114	517.597	16,552,421	38,504,761	24,80-,992	283,514
May 20	92,633.587	507,806	16.499,319	37,874.852	24,838,469	283,491
May 27	92,228,677	441,072	16,883,361	37,132,051	24,805,860	280,961

CONTENTS FOR JUNE.

NO.		PAGE.
1.	Milwaukee, Wisconsin	409
2.	Supply of Coal and other Fuels in Europe and America	416
3.	Debt and Finances of Maryland and Cincinnati	429
4.	Our Foreign Commerce—Foreign Trade	432
5.	On the Collection of Revenue	435
6	Trade of Great Britain and the United States	452
7.	Cleveland, Painesville and Ashtabula Railroad	456
8.	Public Debt of the United States	458
9.	Railroad Earnings for April	458
10.	Railroad Reports	459
11	Commercial Law, No. 33—Fire Insurance	464
12.	Commercial Chronicle and Review	472
13.	Journal of Banking, Currency, and Finance	375

The following advertisements appear in our advertising pages this month:

MERCANTILE.

Lillie's Fire & Burglar-Proof Safes—198 B'way
Fowler & Wells—389 Broadway.
L. Prang & Co.—Boston and New York—Holiday Publications, etc.
Howard & Co.—619 Broadway—Diamonds, Watches, Holiday Gifts, etc.
Mercantile Library—Clinton Hall, Astor Place and Eighth St.
Ferdinand Korn—191 Fulton St.—Eau de Cologne.
Lewis Audendried & Co.—110 Broadway—Anthracite and Bituminous Coal.
Kellogg's U. S. Mercantile Register for 1867-8.
A. B. Sands & Co.—139-141 William St.—Drugs
J. W. Bradley—97 Chambers St.—Hoop Skirts.
Chickering & Sons—652 Broadway—Pianos.

BANKERS & BROKERS.

Tenth National Bank—336 Broadway.
Barstow, Eddy & Co.—26 Broad St.
Lockwood & Co.—94 Broadway.
Vermilye & Co.—44 Wall St.
Eugene Kelly & Co.—36 Wall St.
DeWitt, Kittle & Co.—88 Wall St.
Simon De Visser—52 Exchange Place.
Duncan, Sherman & Co.—Cor Pine & Nassau.
L. P. Morton & Co.—30 Broad Street.
Robinson & Ogden—4 Broad St.
Howe & Macy—30 Wall St.
Gilmore, Dunlap & Co.—Cincinnati.
Lewis Johnson & Co., Washington.
Ninth National Bank—363 Broadway.

INSURANCE.

New York Mutual Insurance Co—61 William st
Fidelity Insurance Co.—14 Broadway
Marine—Atlantic Mutual Ins. Co.—51 Wall St.
Mercantile Mut. Ins. Co.—25 Wall St.
Orient Mutual Ins. Co.
Sun Mutual Ins. Co.—49 Wall St.
Great Western Insurance Co.
Fire—Hope Fire Ins. Co.—92 Broadway.
Germania Fire Ins. Co.—175 Broadway.
Ætna Insurance Co.—Hartford.
U. S. Life Insurance Co.—40 Wall St.

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

JULY, 1867.

CENSUS OF RHODE ISLAND, 1865.*

By the settlement of the boundary question with Massachusetts in 1862, the profit and loss to Rhode Island in territory and population was as follows:

In Pawtucket, Rhode Island gained	6.939 miles	and 4,200 inhabitants.
In East Providence " "	12.5 "	" 1,700 "
Total gain	19.4 miles	and 5,900 inhabitants.
In Fall River, Rhode Island lost	11.12 "	" 3,377 "
Net gain to Rhode Island	8.2 miles	and 2,523 inhabitants.

It need scarcely be repeated that Rhode Island, the smallest State in the Union, is only 50 miles long and 35 miles in width, and that a large portion of this width is taken up by the waters of Narragansett Bay, which, extending inland for some 30 miles, divides the state into two unequal parts, leaving a land territory of only 1.054.6 square miles, with a shore washed by tide-water of 350 miles.

1. PERSONAL CENSUS.

The State is divided into five counties, and these contain thirty-three townships, five of which are situated on islands. The smallest town

* Report upon the census of Rhode Island, 1865; with statistics of the population, agriculture, fisheries and manufactures of the State prepared under the direction of the Secretary of State, by Edwin M. Snow, M. D. Superintendent of the census. 1 vol. 800 p. 112.